



**PROPERTY AND LIABILITY
BOARD OF DIRECTORS MEETING
JULY 20, 2023
10:30 A.M.**

AGENDA

I. Consent Agenda

- A. Approval of Minutes for June 2023 Board of Directors Meeting Dave Ostash
- B. Approval of Payment of Student Insurance Claims in the Amount of \$61,231.52 and Tackle Football Claims in the Amount of \$6,264.64 for the Month of June 2023 Dave Ostash

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

II. Public Comment

III. Closed Session- Property and Liability Claims

The board may be required to adjourn to closed session for discussion of matters regarding a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability, authorized by Government Code 54956.95.

District	File Number	Claimant
Santa Barbara Unified School District By Pat Tumbarello	2023043769	Muto Shinoda L-BI
Palmdale School District By Ty Taylor	2023045213	Jason Dubose L-PI
Sonora Union High School District By Ty Taylor	035994	B.H. (a minor) L-BI
Lone Pine Unified School District By Ryan Bourget	2023046099	Property
Lone Pine Unified School District By Ryan Bourget	2023046348	Property
Wasco Union High School District By Ryan Bourget	2023047160	Property
Merced Union High School District By Ryan Bourget	2023047326	Property
San Luis Coastal Unified School District By Hilda Hankins	2022040712	Arnulfo Morales ABI

IV. Reconvene To Open Session

A. Reports from Closed Session, if Required

V. Action Items

- A. Report of Property and Liability Claims in the Amount of \$1,358,195.79 for the Month of June 2023 and Ratification of Payment of this Amount

Robert Kretzmer

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

- B. Financial Report – Presentation of Financial Statements for the Month of June 2023 Will Be Submitted for Approval

Kim Sloan

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

- C. Approval of Excess Liability Insurance Rate Renewal for 2023-2024

Kim Sloan

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

- D. Approval of SISC Memorandum of Coverage Documents

Robert Kretzmer

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

- E. Election of a Treasurer (1 year term remaining)

Dave Ostash

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

VI. Information and Discussion Items

- A. Stop It Seminar on August 8, 2023

Kerri Jones

- B. Review of the June 2023 Quarterly Report

Kerri Jones

- C. Discussion Regarding Application of Government Code 6509

Dave Ostash

- D. Comments from the Board of Directors Will Be Heard

Dave Ostash

- E. Next Meeting:

Dave Ostash

Thursday, August 24, 2023

10:30 a.m.

SISC Board Room, 4th Floor – Larry E. Reider Education Center
2000 K Street, Bakersfield, CA 93301

F. Adjournment

Dave Ostash

Moved _____ 2nd _____

Yes _____ No _____ Abstain _____ Roll Call Vote _____

Any materials required by law to be made available to the public prior to a meeting of the Governing Board of the SISC II JPA can be inspected at the following address during normal business hours at:

2000 K Street, Bakersfield, CA. 93301

For more information regarding how, to whom, and when a request for disability-related modification or accommodation, including auxiliary aids or services, may be made by a person with a disability who requires a modification or accommodation to participate in the public meeting, please contact Kristy Comstock at 661-636-4682 or krcomstock@siscschools.org

*The number of Board Members needed to form a quorum for this meeting is eight

PROPERTY & LIABILITY TERMINOLOGY

1. **AMERICANS WITH DISABILITIES ACT (ADA)** - A federal act designed to set standards to remove the barriers to employment, transportation, public accommodations, public services, and telecommunications that exist for those members of our society who have physical disabilities. The act encompasses aspects of everyday life and generates wide ranging implications for almost every business or service.
2. **CIVIL RIGHTS VIOLATIONS** - The term applied to tort claims involving issues of sexual harassment; wrongful termination; employment, age, gender or race discrimination; ADA; employment harassment. If Plaintiff prevails, even partially, this type of case entitles plaintiff to also collect attorney fees.
3. **CLAIM TYPES** – The internal coding systems for claims includes:

ABI – Auto Bodily Injury	BM – Boiler/Machinery	LPI – Liability Personal Injury
ACL – Auto Collision	CF – Crime/Fidelity	LPD - Liability Property Damage
ACP – Auto Comprehension	LBI – Liability Bodily Injury	P - Property
AGK – Auto Garage Keepers	LEO – Liability Errors Omissions	SE - Special Education
APD – Auto Property Damage		
4. **CLASS ACTION** – A lawsuit in which one person or a small group of people represent the interests of an entire class of people in litigation.
5. **COMPARATIVE NEGLIGENCE** - A more modern system of allocating damages between two or more persons than the method of contributory negligence. Under comparative negligence, the damages collectible in relation to another person are diminished in proportion to one's degree of negligence. In most instances, damages cannot be collected at all if the claimant's negligence were greater than that of the other party. Currently, in a few instances, the courts have awarded both parties damages as a percent of the total damages, depending on respective degrees of fault.
6. **CROSS COMPLAINT** – A claim asserted by a defendant against another party to the action. Also termed (in some jurisdictions) *cross petition*. A claim asserted by a defendant against a person not a party to the action for a matter relating to the subject of the action.
7. **DECLARATORY RELIEF ACTION** - Remedy for the determination of a judicial controversy where a plaintiff or defendant is in doubt as to their legal rights. No consequential relief is awarded.
8. **ERRORS AND OMISSIONS (E&O)** - A form of Professional Liability insurance which provides coverage for mistakes made in a profession not involved with the human body (lawyers, architects, engineers) or for mistakes made in a service business (insurance, real estate, and others). Also a form of coverage for financial institutions protecting against loss to lending institutions which fail to effect insurance coverage.
9. **HEARSAY** – Testimony by a witness based not on his or her own observations but on what someone else said, offered in evidence to prove the truth of what was said.
10. **HOLD HARMLESS AGREEMENT** - A contractual arrangement whereby one party assumes the liability inherent in a situation, thereby relieving the other party of responsibility. Such agreements are typically found in leases and easements and construction contract agreements. Agreement or contract in which one party agrees to hold the other without responsibility for damage or other liability arising out of the transaction involved.
11. **INCURRED LOSSES** – The amount equal to paid losses and losses for which the insurer is liable but has not yet paid.
12. **INJUNCTIVE RELIEF ACTION** - Legal action filed for prohibitive or equitable relief. An action filed to forbid an act or to restrain someone from continuing an act which is considered unjust or injurious.
13. **MORAL HAZARD** – A condition that may lead a person to intentionally cause or exaggerate a loss.
14. **MOTION FOR SUMMARY JUDGMENT** - Rule of civil procedure permitting either side in a civil suit to move for dismissal when it is believed that there is no genuine issue of material fact that would allow the other side to prevail as a matter of law. The "motion" may include all or part of a claim.
15. **MOTION IN LIMINE** – A pretrial request that certain inadmissible evidence not be referred to or offered at trial.
16. **PERSONAL INJURY** - Injury, other than bodily injury, results from oral or written communication.
17. **PUNITIVE DAMAGES (Exemplary)** - Damages awarded separately and in addition to compensatory damages, usually on account of malicious or wanton misconduct, to serve as a punishment for the wrongdoer and, possibly, as a deterrent to others. Sometimes referred to as "exemplary damages" when intended to "make an example" of the wrongdoer. By law, government entities are immune from punitive damages.
18. **RESERVATION OF RIGHTS LETTER** – An insurer's letter that specifies coverage issues and informs the insured that the insurer is handling a claim with the understanding that the insurer may later deny coverage should the facts warrant it.
19. **SUBROGATION** - In insurance, the substitution of one party (insurer) for another party (insured) to pursue any rights the insured may have against a third party liable for a loss paid by the insurer.
20. **TORT** - A legal wrong arising from a breach of duty fixed by law, except under contract, causing injury to persons or property and redressible by legal action for damages. Government entities are ruled by the Tort Claims Act.
21. **VENUE** – The locale in which the lawsuit may be brought.



**PROPERTY AND LIABILITY
BOARD OF DIRECTORS MEETING
JUNE 15, 2023
10:30 A.M.**

MINUTES

The Regular Meeting of the Board of Directors of SISC II Property and Liability Program was called to order by Director Kouklis at 10:30 a.m. on Thursday, June 15, 2023 in the SISC Board Room of the Larry E. Reider Building, 2000 K Street, Bakersfield, California 93301. The following individuals were in attendance:

MEMBERS PRESENT:

Nick Kouklis
Steve Martinez
Ty Bryson
Paul Miller
Aaron Resendez
Dr. Dave Ostash
Katie Russell
Steve Torres
Eva Chavez
Robert Hughes

ALTERNATES PRESENT:

Chris Meyer

OTHERS PRESENT:

Kim Sloan
Megan Hanson
Kristy Comstock
Rich Edwards
Fred Bayles
Robert Kretzmer
Ty Taylor
Randy Rogers
Hilda Hankins
Christian Shannon
Brad Pawlowski

Consent Agenda

Motion was made by Director Bryson, seconded by Director Miller and by roll call vote of 10-Yes, 0-No, and 0 Abstentions (10-0-0) to approve the Consent Agenda as follows:

Minutes

Approval of Minutes for May 2023 Board of Directors Meeting

Student Insurance and Tackle Football Claims

Approval of payment of Student Insurance Claims in the Amount of \$83,664.01 and Tackle Football Claims in the Amount of \$1,924.64 for the month of May 2023.

Public Comment

None

Closed Session – Property & Liability Claims

The Board went into closed session at 10:34 a.m.

Reconvene to Open Session

The Board reconvened into open session at 10:48 a.m.

With respect to the claim filed by Westside Union School District after discussion, motion was made by Director Chavez, seconded by Director Ostash and by roll call vote of 9-0-1 (abstention by Director Hughes) the board approved the payment of \$143,011.50 for repairs to various buildings damaged by heavy rain from storm.

With respect to the claim filed by Curtis Creek Elementary School District after discussion, motion was made by Director Russell, seconded by Director Resendez and by roll call vote of 10-0-0 the board approved the payment of \$28,500.00 for repairs to district office damaged by heavy rain from storm.

With respect to the claim filed by El Tejon Unified School District after discussion, motion was made by Director Hughes, seconded by Director Torres and by roll call vote of 10-0-0 the board approved the payment of \$80,664.55 for repairs to district bus barn damaged by tree that fell over during heavy rains.

With respect to the claim filed by Pedro Negrete-Galicia against Hanford Joint Union High School District after discussion, motion was made by Director Ostash, seconded by Director Chavez and by roll call vote of 10-0-0 the board approved the payment of \$150,000.00 for the settlement of this claim with Pedro Negrete-Galicia.

Action Items

Report of Property and Liability Claims – May 2023

Robert Kretzmer presented the Report of Property and Liability Claims. There were 36 new claims, 33 claims were closed and no claims reopened in May, resulting in 476 pending claims. Robert reviewed the check register for May 2023, reporting on four checks that were in excess of \$25,000.00. After discussion, motion was made by Director Russell, seconded by Director Torres and by roll call vote of 10-0-0, approving payment of Property and Liability Claims in the amount of \$1,652,294.65 for the month of May 2023.

Financial Report

Kim Sloan reviewed with the Board the Financial Report for the period ending May 31, 2023. Kim reported the LAIF rate for the month of May 2023 increased to 2.99% from last month at 2.87%. After discussion, motion was made by Director Resendez, seconded by Director Chavez and by roll call vote of 10-0-0, approving the Financial Reports as submitted.

Request Approval of the 2023-2024 Budget

Kim Sloan presented the 2023-2024 budget to the board for approval. After discussion, a motion was made by Director Martinez, seconded by Director Torres and by roll call vote of 10-0-0, approving the SISC II budget as submitted.

Request Approval of the Auto, Liability and Property Memorandum of Coverage for 2023-2024

No action taken, will be brought to July's board meeting for approval.

Request Approval of the 2023-2024 Board Meeting Times, Dates and Places

Director Kouklis discussed the meeting times, dates and places for the upcoming year. He noted the meetings in August and February are scheduled a week later than normal and the October meeting will be at Lucia Mar Unified School District. After discussion, motion was made by Director Russell, seconded by Director Hughes and by roll call vote of 10-0-0, approving the board meeting schedule for 2023-2024.

Information and Discussion Items**Defense Counsel Summit on October 19, 2023**

Robert Kretzmer invited all board members to the Defense Counsel Summit on October 19, 2023.

Discussion on Vector Solutions

Randy Rogers gave a brief introduction of the training materials that will be offered to member districts from Vector Solutions.

Comments from the Board of Directors

Director Kouklis announced all retirees and those leaving the board starting July 1, 2023.

Adjournment

There being no further business to come before the Board, motion was made by Director Chavez, seconded by Director Russell and by roll call vote of 10-0-0, adjourning the meeting at 11:25 a.m.

Next Meeting

The next meeting of the Board of Directors will be held **Thursday, July 20th** at 10:30 a.m. in the SISC Board Room, 4th Floor-Larry E. Reider Education Center, 2000 K Street, Bakersfield, CA 93301

Robert Hughes, Secretary



SUMMARY OF ACTIVITY
JUNE 2023

	<u>STUDENT</u> <u>INSURANCE</u>	<u>SUPPLEMENTAL</u> <u>COVERAGE</u>	<u>TACKLE</u> <u>FOOTBALL</u>
Opened	78	0	0
Closed	66	0	1
Events	43	0	0
 Total Open & Event claims	 1251	 0	 89
 Amount Paid	 \$ 55,278.26	 \$ -	 \$ 6,264.64
Credit	\$ (843.05)	\$ -	\$ -
Net Paid Current Month	\$ 54,435.21	\$ -	\$ 6,264.64
 Net Paid YTD	 \$ 660,344.81	 \$ -	 \$ 25,440.09



SISC II
CLAIM AND LOSS MANAGEMENT SUMMARY

JUNE 2023

FILES RE-OPENED	0
FILES OPENED	33
FILES CLOSED	47
TOTAL PENDING CLAIMS	459
EVENTS LIABILITY	17
TOTAL LIABILITY EVENTS	101
PENDING INDEMNITY RESERVES	\$29,629,582.78
PENDING EXPENSE RESERVES	\$9,143,436.33
TOTAL RESERVES	<u>\$38,773,019.11</u>
INDEMNITY PAID, CURRENT MONTH	\$785,011.80
EXPENSES PAID, CURRENT MONTH	\$507,768.41
SUB-TOTAL	<u>\$1,292,780.21</u>
PRIOR MONTH VOIDS	(\$3,071.50)
RECOVERIES & COLLECTIONS	(\$60,143.11)
REFUNDS/ADJUSTMENTS	(\$1,000.00)
NET PAID CURRENT MONTH	<u>\$1,228,565.60</u>
INDEMNITY PAID YEAR-TO-DATE	\$13,673,255.65
EXPENSES PAID YEAR-TO-DATE	\$4,531,010.25
SUB-TOTAL	<u>\$18,204,265.90</u>
CREDITS YEAR-TO-DATE	(\$205,405.59)
RECOVERY YEAR-TO-DATE	(\$824,771.74)
REFUNDS YEAR-TO-DATE	(\$40,324.19)
SUB-TOTAL	<u>(\$1,070,501.52)</u>
NET PAID YEAR-TO-DATE	<u><u>\$17,133,764.38</u></u>
YEAR-TO-DATE FROM CLAIM LOSS MANAGEMENT SUMMARY	17,133,764.38
YEAR-TO-DATE FROM THE FINANCIAL STATEMENT	17,143,893.84
YEAR-TO-DATE NET DIFFERENCE	<u>(10,129.46)</u>
Check 558066 staled in Feb voided in Ivos but was paid Mar 1, 2023	3,168.87
June stale date posted in Ivos in July- will remain all year	18,389.09
Check 560893 vioded in Ivos & stopped at bank but listed as outstanding	2,607.50
Check 559977 voided in Ivos but not at bank.	464.00
Refund recorded incorrectly in Ivos	(14,500.00)
	<u>10,129.46</u>
YEAR-TO-DATE DIFFERENCE	<u><u>(0.00)</u></u>

Check Register - Property & Liability June 2023

June 2023

Check Number	Check Date	Payee	Claim Number	Claim Type	Payment Type	Insured	Check Amount
600031	06/01/2023	ALACRITY PARENT LLC,	2023047192	ACL	Adjusting	Edison School	191.59
600032	06/01/2023	Edison School District	2023047192	ACL	Collision Loss	Edison School	7,784.13
600033	06/01/2023	RUBI RAMIREZ	2023047231	LPD	Vehicle Damage	Wasco Union	324.76
600034	06/01/2023	Templeton Unified School District	2023045642	P	Fire Loss	Templeton Unified	1,234.75
600035	06/01/2023	DAVIS, BENGSTON & YOUNG,	2022043495	LBI	Attorney Fees	Soulsbyville	887.52
600036	06/01/2023	DAVIS, BENGSTON & YOUNG,	2023044034	LPI	Attorney Fees	Summerville Union	2,502.50
600037	06/01/2023	ALACRITY PARENT LLC,	2023046775	APD	Adjusting	Richland School	249.69
600058	06/06/2023	TYSON & MENDES LLP	2021040363	LBI	Attorney Fees	Santa Maria Joint	809.45
600059	06/06/2023	TYSON & MENDES LLP	2021040073	LBI	Attorney Fees	Santa Barbara	7,099.20
600060	06/06/2023	HALL, HIEATT, CONNELLY &	2023046781	LBI	Attorney Fees	Lucia Mar Unified	3,667.50
600061	06/06/2023	HALL, HIEATT, CONNELLY &	2023046181	LBI	Attorney Fees	San Luis Coastal	1,980.00
600062	06/06/2023	HALL, HIEATT, CONNELLY &	2023044017	LPI	Attorney Fees	Lucia Mar Unified	1,575.00
600063	06/06/2023	HALL, HIEATT, CONNELLY &	2022043429	LBI	Attorney Fees	Lucia Mar Unified	5,158.25
600064	06/06/2023	HALL, HIEATT, CONNELLY &	2022040627	LBI	Attorney Fees	San Luis Coastal	1,933.30
600065	06/06/2023	HALL, HIEATT, CONNELLY &	2022043077	LBI	Attorney Fees	Paso Robles Joint	2,026.50
600066	06/06/2023	MC LAW GROUP APC	2022043499	LPI	Attorney Fees	Carpinteria Unified	1,081.00
600067	06/06/2023	MC LAW GROUP APC	2023047177	LPI	Attorney Fees	Hope School	2,585.00
600068	06/06/2023	HALL, HIEATT, CONNELLY &	2023046582	LBI	Attorney Fees	San Luis Coastal	2,533.50
600069	06/06/2023	MC LAW GROUP APC	2019034991	LBI	Attorney Fees	Santa Barbara	5,240.50
600070	06/06/2023	MC LAW GROUP APC	2022042672	LBI	Attorney Fees	Santa Maria Joint	1,715.50
600071	06/06/2023	MC LAW GROUP APC	2023043760	LBI	Attorney Fees	Santa Barbara	4,324.00
600072	06/06/2023	MC LAW GROUP APC	2023046814	LBI	Attorney Fees	Paso Robles Joint	3,008.00
600073	06/06/2023	DEMARIA LAW FIRM, APC	2023044138	LPI	Attorney Fees	Amador County	3,206.00
600074	06/06/2023	DEMARIA LAW FIRM, APC	2023045682	LPI	Attorney Fees	Amador County	4,082.00
600075	06/06/2023	TYSON & MENDES LLP	2021039770	LPI	Attorney Fees	Kern County Supt	4,180.00
600076	06/06/2023	DEMARIA LAW FIRM, APC	2023045668	LPI	Attorney Fees	Bret Harte Union	628.50
600077	06/06/2023	DEMARIA LAW FIRM, APC	2022043126	LPI	Attorney Fees	Kern County Supt	1,559.00
600078	06/06/2023	DEMARIA LAW FIRM, APC	2023043817	ADM	Attorney Fees	Kern County Supt	507.50
600079	06/06/2023	DEMARIA LAW FIRM, APC	2022041736	LBI	Attorney Fees	Mammoth Unified	8,644.50
600080	06/06/2023	DEMARIA LAW FIRM, APC	2022042555	LPI	Attorney Fees	Bishop Unified	898.50

Check Register - Property & Liability June 2023

June 2023

Check Number	Check Date	Payee	Claim Number	Claim Type	Payment Type	Insured	Check Amount
600081	06/06/2023	DEMARIA LAW FIRM, APC	2022042091	LPI	Attorney Fees	Amador County	12,923.00
600082	06/06/2023	ZIMMER AND MELTON, LLP	2023044602	LPI	Attorney Fees	Lake Elsinore	64.50
600083	06/06/2023	ZIMMER AND MELTON, LLP	2023044602	LPI	Attorney Fees	Lake Elsinore	172.00
600084	06/06/2023	ZIMMER AND MELTON, LLP	2022043499	LPI	Attorney Fees	Carpinteria Unified	21.50
600085	06/06/2023	ZIMMER AND MELTON, LLP	2022043499	LPI	Attorney Fees	Carpinteria Unified	236.50
600086	06/06/2023	HERR PEDERSEN &	2022041435	LBI	Attorney Fees	Sierra Sands	24,180.83
600087	06/06/2023	HERR PEDERSEN &	2017025182	LBI	Attorney Fees	Merced County	1,947.98
600088	06/06/2023	HERR PEDERSEN &	2017025182	LBI	Attorney Fees	Merced County	21,882.13
600089	06/06/2023	HERR PEDERSEN &	2022043271	LPI	Attorney Fees	Tulare COE (GL)	1,249.15
600090	06/06/2023	HERR PEDERSEN &	2022043315	LPI	Attorney Fees	Richland School	153.76
600091	06/06/2023	WILMES, LLC	2023043817	ADM	Adjusting	Kern County Supt	1,215.00
600092	06/06/2023	HALLAM INVESTIGATIONS	2023045668	LPI	Adjusting	Bret Harte Union	4,975.59
600093	06/06/2023	FOZI DWORK & MODAFFERI,	2023046006	LPI	Attorney Fees	Upland USD (GL)	5,137.50
600094	06/06/2023	MCCORMICK, BARSTOW,	2023043817	ADM	Attorney Fees	Kern County Supt	120.00
600095	06/06/2023	TYSON & MENDES LLP	2022042150	LPI	Attorney Fees	Kern County Supt	940.50
600096	06/06/2023	TYSON & MENDES LLP	2023045851	LBI	Attorney Fees	Taft City School	7,893.00
600097	06/06/2023	JOHN CHACON	2023046498	APD	Property	Brawley Union	1,452.87
600098	06/06/2023	MC LAW GROUP APC	2022043429	LBI	Attorney Fees	Lucia Mar Unified	4,958.50
600099	06/06/2023	ALACRITY PARENT LLC,	2023047166	APD	Adjusting	Bakersfield City	179.96
600100	06/06/2023	DEMARIA LAW FIRM, APC	2022040775	ABI	Attorney Fees	Hanford Jt. Union	3,055.50
600101	06/06/2023	HALL, HIEATT, CONNELLY &	2022040712	ABI	Attorney Fees	San Luis Coastal	4,475.05
600102	06/06/2023	DEMARIA LAW FIRM, APC	2020038781	LPI	Attorney Fees	Amador County	442.00
600103	06/06/2023	DEMARIA LAW FIRM, APC	2021039134	LPI	Attorney Fees	Big Oak Flat-	1,813.50
600104	06/06/2023	DEMARIA LAW FIRM, APC	2023045338	LBI	Attorney Fees	Sonora Union High	6,614.50
600105	06/06/2023	HERR PEDERSEN &	2021040220	LBI	Attorney Fees	Delhi Unified	788.45
600106	06/06/2023	CHEYENNE JONES AND	2019031894	LBI	In Full	Antelope Valley	445,000.00 ✓
600107	06/06/2023	ALYSA JONES AND HAFFNER	2019033650	LBI	In Full	Antelope Valley	5,000.00
600108	06/06/2023	TYSON & MENDES LLP	035994	LBI	Attorney Fees	Sonora Union High	33,859.46 ✓
600131	06/08/2023	HERR PEDERSEN &	2021040087	LPI	Attorney Fees	Bakersfield City	21,882.13
600132	06/08/2023	Atascadero Unified School	2023046979	ACL	Collision Loss	Atascadero Unified	418.77

Check Register - Property & Liability June 2023

June 2023							
Check Number	Check Date	Payee	Claim Number	Claim Type	Payment Type	Insured	Check Amount
600133	06/08/2023	DEMARIA LAW FIRM, APC	2023044138	LPI	Attorney Fees	Amador County	8,108.50
600134	06/08/2023	DEMARIA LAW FIRM, APC	2023045682	LPI	Attorney Fees	Amador County	1,883.00
600135	06/08/2023	DEMARIA LAW FIRM, APC	2023045668	LPI	Attorney Fees	Bret Harte Union	369.00
600136	06/08/2023	DEMARIA LAW FIRM, APC	2022042555	LPI	Attorney Fees	Bishop Unified	1,107.00
600137	06/08/2023	DEMARIA LAW FIRM, APC	2022042373	LBI	Attorney Fees	Amador County	20.50
600138	06/08/2023	DEMARIA LAW FIRM, APC	2022041736	LBI	Attorney Fees	Mammoth Unified	1,551.50
600139	06/08/2023	DEMARIA LAW FIRM, APC	2022042091	LPI	Attorney Fees	Amador County	707.00
600140	06/08/2023	DEMARIA LAW FIRM, APC	035939	LPI	Attorney Fees	Tuolumne Cnty	41.00
600141	06/08/2023	DEMARIA LAW FIRM, APC	2022043126	LPI	Attorney Fees	Kern County Supt	1,179.00
600142	06/08/2023	DEMARIA LAW FIRM, APC	2023046975	LPI	Attorney Fees	Amador County	1,093.50
600143	06/08/2023	CARPENTER, ROTHANS &	2023043817	ADM	Attorney Fees	Kern County Supt	2,403.50
600144	06/08/2023	MONIQUE DURAN	2023046609	APD	Property	Chowchilla	2,607.50
600145	06/08/2023	HAINES, TODD F.	2023044470	ACL	Attorney Fees	Goleta Union	30.00
600146	06/08/2023	ALACRITY PARENT LLC,	2023047194	APD	Adjusting	Fruitvale School	624.40
600147	06/08/2023	JAMES POWELL	2023046608	APD	Property	Lucia Mar Unified	1,122.93
600148	06/08/2023	ALACRITY PARENT LLC,	2023046100	ABI	Adjusting	Antelope Valley	413.36
600149	06/08/2023	UNISOURCE DISCOVERY	2021039203	LPI	Legal-Other	Lake Elsinore	149.60
600150	06/08/2023	ALACRITY PARENT LLC,	2023047240	ACL	Adjusting	Merced County	1,177.00
600151	06/08/2023	Merced County Office of	2023047240	ACL	Collision Loss	Merced County	23,715.47
600152	06/08/2023	FISHER BROYLES	2023046511	CYB	Attorney Fees	Amador County	2,898.50
600153	06/08/2023	FISHER BROYLES	2023046511	CYB	Attorney Fees	Amador County	3,300.00
600154	06/08/2023	JENNIFER DUARTE	2023047166	APD	Property	Bakersfield City	1,452.04
600155	06/08/2023	Tulare COE (GL)	2023045683	P	Burglary Loss	Tulare COE (GL)	5,652.97
600156	06/08/2023	ROBINSON & KELLAR	2021039203	LPI	Attorney Fees	Lake Elsinore	7,785.20
600157	06/08/2023	ROBINSON & KELLAR	2023044381	LBI	Attorney Fees	Lake Elsinore	1,676.63
600158	06/08/2023	ROBINSON & KELLAR	2023045569	LBI	Attorney Fees	Antelope Valley	6,308.84
600159	06/08/2023	ROBINSON & KELLAR	2022042967	LBI	Attorney Fees	Lake Elsinore	508.55
600160	06/08/2023	JUANA VASQUEZ	2023046094	APD	Rental Vehicle	Tulare COE (GL)	1,800.00
600190	06/13/2023	BENNETT, DUANE E.	2023046006	LPI	Adjusting	Upland USD (GL)	57,320.96 ✓
600191	06/13/2023	FOZI DWORK & MODAFFERI,	2023046006	LPI	Attorney Fees	Upland USD (GL)	1,350.00

Check Register - Property & Liability June 2023

June 2023

Check Number	Check Date	Payee	Claim Number	Claim Type	Payment Type	Insured	Check Amount
600192	06/13/2023	ENTERPRISE RENT-A-CAR	2023046094	APD	Rental Vehicle	Tulare COE (GL)	3,005.28
600193	06/13/2023	ENTERPRISE RENT-A-CAR	2023046608	APD	Rental Vehicle	Lucia Mar Unified	218.33
600194	06/13/2023	POLLAK, VIDA & BARER	2021039203	LPI	Attorney Fees	Lake Elsinore	102.00
600195	06/13/2023	VERITEXT CORP	2022041048	LBI	Legal-Other	Antelope Valley	682.69
600196	06/13/2023	ROBINSON & KELLAR	2018031216	ABI	Attorney Fees	Panama-Buena	11,966.19
600197	06/13/2023	ROBINSON & KELLAR	2022042303	LBI	Attorney Fees	Lakeside Union	234.80
600198	06/13/2023	ROBINSON & KELLAR	2022043321	LBI	Attorney Fees	Mojave Unified	630.50
600199	06/13/2023	ROBINSON & KELLAR	2021040282	ABI	Attorney Fees	Kern County Supt	3,582.40
600200	06/13/2023	ABI DOCUMENT SUPPORT	2022041926	LBI	Legal-Other	Norris School	480.06
600201	06/13/2023	DEMARIA LAW FIRM, APC	2021039753	LBI	Attorney Fees	Bakersfield City	5,043.20
600202	06/13/2023	DEMARIA LAW FIRM, APC	2021039223	LPI	Attorney Fees	Norris School	4,753.00
600203	06/13/2023	DEMARIA LAW FIRM, APC	2022043559	LBI	Attorney Fees	Delano Union	380.00
600204	06/13/2023	DEMARIA LAW FIRM, APC	2022041926	LBI	Attorney Fees	Norris School	9,768.52
600205	06/13/2023	DEMARIA LAW FIRM, APC	2023043663	LBI	Attorney Fees	Greenfield Union	8,886.47
600206	06/13/2023	DEMARIA LAW FIRM, APC	2023043915	LBI	Attorney Fees	Tehachapi Unified	538.00
600207	06/13/2023	DEMARIA LAW FIRM, APC	2022043462	LBI	Attorney Fees	Greenfield Union	3,283.00
600208	06/13/2023	DEMARIA LAW FIRM, APC	2023045590	LBI	Attorney Fees	Southern Kern	807.70
600209	06/13/2023	DEMARIA LAW FIRM, APC	2023046256	LBI	Attorney Fees	Kern High School	8,635.50
600210	06/13/2023	DEMARIA LAW FIRM, APC	2022042306	LBI	Attorney Fees	Beardsley School	5,570.00
600211	06/13/2023	DEMARIA LAW FIRM, APC	2022043321	LBI	Attorney Fees	Mojave Unified	111.50
600212	06/13/2023	ALACRITY PARENT LLC,	2023047233	LPD	Adjusting	Santa Maria Joint	178.00
600213	06/13/2023	RENE PUENTE JR	2023046775	APD	Property	Richland School	2,122.50
600214	06/13/2023	POLLAK, VIDA & BARER	2021040282	ABI	Attorney Fees	Kern County Supt	229.50
600215	06/13/2023	DENISON WERNER LLP	2020038359	LBI	Attorney Fees	Kern Community	37.00
600216	06/13/2023	DENISON WERNER LLP	2020037626	ABI	Attorney Fees	Lakeside Union	18.50
600217	06/13/2023	UNISOURCE DISCOVERY	2023043644	LBI	Legal-Other	Bakersfield City	235.52
600218	06/13/2023	FOZI DWORK & MODAFFERI,	2023043794	LPI	Attorney Fees	Upland USD (GL)	2,750.00
600219	06/13/2023	TEGAN SULLIVAN AND ANY	2023044677	LBI	In Full	Templeton Unified	7,579.05
600229	06/15/2023	FOZI DWORK & MODAFFERI,	2023043784	LBI	Attorney Fees	Brawley Union	4,393.85
600230	06/15/2023	DAVIS, BENGSTON & YOUNG,	2022043495	LBI	Attorney Fees	Soulsbyville	1,228.50

Check Register - Property & Liability June 2023

June 2023

Check Number	Check Date	Payee	Claim Number	Claim Type	Payment Type	Insured	Check Amount
600231	06/15/2023	FORMUZIS, HUNT & LANNING,	2018031216	ABI	Legal-Other	Panama-Buena	1,050.00
600232	06/15/2023	BRIAN F. KING CONSULTING,	2018031216	ABI	Attorney Fees	Panama-Buena	1,350.00
600233	06/15/2023	CAREER COUNSELING &	2018031216	ABI	Legal-Other	Panama-Buena	1,500.00
600234	06/15/2023	UNISOURCE DISCOVERY	2021040282	ABI	Legal-Other	Kern County Supt	131.25
600235	06/15/2023	DAVIS, BENGSTON & YOUNG,	2022043187	LPI	Attorney Fees	Amador County	55.00
600236	06/15/2023	DEMARIA LAW FIRM, APC	2021040054	LPI	Attorney Fees	Panama-Buena	64.75
600237	06/15/2023	HERR PEDERSEN &	2022041679	LPI	Attorney Fees	Merced County	246.85
600238	06/15/2023	DAVIS, BENGSTON & YOUNG,	2023045609	LBI	Attorney Fees	Amador COE (GL)	330.00
600239	06/15/2023	DAVIS, BENGSTON & YOUNG,	2022043194	LPI	Attorney Fees	Amador County	337.00
600267	06/20/2023	ALACRITY PARENT LLC,	2023047233	LPD	Adjusting	Santa Maria Joint	178.00
600268	06/20/2023	ADOLPH GUZMAN	2023047407	LPD	Property	Palmdale	485.10
600269	06/20/2023	VALERIE MEZA	2023043644	LBI	Full and Final	Bakersfield City	1,503.75
600270	06/20/2023	EMILIO ALMAZAN	2023047092	APD	Property	Goleta Union	192.02
600271	06/21/2023	EDWARD AND FERNANDA	2023046807	APD	Property	Lucia Mar Unified	3,425.00
600272	06/21/2023	ASAF LAW APC CLIENT TRUST	2022040712	ABI	Trust Account -	San Luis Coastal	43,500.00 ✓
600273	06/21/2023	ASAF LAW APC CLIENT TRUST	2022040712	ABI	Trust Account -	San Luis Coastal	43,500.00 ✓
600274	06/21/2023	MCCORMICK, BARSTOW,	2022043429	LBI	Attorney Fees	Lucia Mar Unified	1,975.00
600275	06/21/2023	DAPRA CONSTRUCTION	2023047160	P	Adjusting	Wasco Union High	2,275.50
600276	06/21/2023	CARPENTER, ROTHANS &	2021040073	LBI	Attorney Fees	Santa Barbara	14,232.15
600277	06/21/2023	CARPENTER, ROTHANS &	2022042589	LBI	Attorney Fees	Palmdale	1,856.15
600278	06/21/2023	CARPENTER, ROTHANS &	2023043965	LPI	Attorney Fees	Palmdale	930.30
600279	06/21/2023	CARPENTER, ROTHANS &	2022043595	LBI	Attorney Fees	Palmdale	67.50
600280	06/21/2023	DAVIS, BENGSTON & YOUNG,	2023044034	LPI	Attorney Fees	Summerville Union	1,412.50
600281	06/21/2023	DAVIS, BENGSTON & YOUNG,	2023045338	LBI	Attorney Fees	Sonora Union High	3,412.50
600282	06/21/2023	HERR PEDERSEN &	2017027208	ABI	Attorney Fees	Delano Union	674.16
600283	06/21/2023	DEVON POINDEXTER	2023047381	APD	Property	Santa Barbara	1,485.02
600284	06/21/2023	CARPENTER, ROTHANS &	2022042882	LBI	Attorney Fees	Antelope Valley	731.95
600285	06/21/2023	CARPENTER, ROTHANS &	2022042974	LPI	Attorney Fees	Antelope Valley	135.00
600286	06/21/2023	CARPENTER, ROTHANS &	2023045213	LPI	Attorney Fees	Palmdale	6,007.50
600287	06/21/2023	CARPENTER, ROTHANS &	2023044769	LPI	Attorney Fees	Palmdale	11,060.41

Check Register - Property & Liability June 2023

June 2023

Check Number	Check Date	Payee	Claim Number	Claim Type	Payment Type	Insured	Check Amount
600288	06/21/2023	CARPENTER, ROTHANS &	2022042602	LBI	Attorney Fees	Antelope Valley	337.50
600289	06/21/2023	CARPENTER, ROTHANS &	2022040918	LPI	Attorney Fees	Upland USD (GL)	3,127.50
600290	06/21/2023	MCCORMICK, BARSTOW,	2021039801	LBI	Attorney Fees	Fairfax School	2,850.00
600307	06/22/2023	LEGAL RIGHTS LAW CENTER	2022040775	ABI	In Full	Hanford Jt. Union	150,000.00 ✓
600308	06/22/2023	BRADLEY FIELDHOUSE	2023045747	APD	Property	Lucia Mar Unified	1,067.16
600309	06/22/2023	CHIDEKEL, DANA	2018031216	ABI	Legal-Other	Panama-Buena	825.00
600310	06/22/2023	JESSICA AND DANIEL	2023044196	LBI	Medical	Rosedale Union	862.40
600311	06/22/2023	MCCORMICK, BARSTOW,	2023043817	ADM	Attorney Fees	Kern County Supt	20,680.00
600312	06/22/2023	DEMARIA LAW FIRM, APC	2023043817	ADM	Attorney Fees	Kern County Supt	2,403.50
600314	06/23/2023	BRIAN F. KING CONSULTING,	2018031216	ABI	Legal-Other	Panama-Buena	675.00
600315	06/23/2023	CARPENTER, ROTHANS &	2020038667	LBI	Attorney Fees	Palmdale	658.50
600316	06/23/2023	CARPENTER, ROTHANS &	2019034513	LBI	Attorney Fees	Westside Union	231.50
600317	06/23/2023	Curtis Creek Elementary DS (GL)	2023045482	P	Water Loss	Curtis Creek	28,500.00 ✓
600318	06/23/2023	HERR PEDERSEN &	2022043271	LPI	Attorney Fees	Tulare COE (GL)	3,618.56
600319	06/23/2023	HERR PEDERSEN &	2022041435	LBI	Attorney Fees	Sierra Sands	7,566.97
600320	06/23/2023	HERR PEDERSEN &	2017025182	LBI	Attorney Fees	Merced County	2,935.00
600321	06/23/2023	HERR PEDERSEN &	2021040087	LPI	Attorney Fees	Bakersfield City	24,675.78
600322	06/23/2023	HERR PEDERSEN &	2021040220	LBI	Attorney Fees	Delhi Unified	1,466.83

Total For 122235821 158300179906

1,292,780.21

Number of Check: 168
Number Of Payments: 170

First Check Number: 600031
Last Check Number: 600322
Check Sequence:

SISC II
INCOME STATEMENT
JUNE 2023

		BUDGET	YEAR-TO-DATE	CURRENT MONTH
<u>REVENUES</u>				
8660.00	Interest-County Treasurer	\$659,092.00	\$638,112.50	\$0.00
8660.03	LAIF	\$46.00	\$94.11	\$0.00
8660.04	Investments	\$967,344.00	\$519,489.86	\$0.00
8660.05	Bank	\$5,000.00	\$8,434.96	\$469.86
8674.02	Premiums-Prop & Liab	\$47,287,193.00	\$47,018,158.97	\$3,931,139.00
8674.12	Student Ins	\$1,226,093.00	\$1,226,093.28	\$102,175.00
8674.13	Tackle Football	\$27,000.00	\$21,310.00	\$0.00
8674.14	Special Ed Defense	\$443,924.00	\$483,626.00	\$7,175.00
8674.15	Supp Student Ins	\$1,250.00	\$975.00	\$0.00
8699.06	Administrative Fees	\$100.00	\$0.00	\$0.00
TOTAL REVENUES		\$50,617,042.00	\$49,916,294.68	\$4,040,958.86
<u>EXPENSES</u>				
4300.00	Supplies	\$500.00	\$34.79	\$0.00
5200.00	Travel/Conference	\$5,000.00	\$2,687.64	\$209.33
5300.00	Dues and Memberships	\$133,212.00	\$77,970.99	\$0.00
5450.01	Insurance-Property & Fire	\$10,116,248.00	\$9,542,398.43	\$866,530.00
5450.02	Boiler & Machinery	\$248,448.00	\$261,266.00	\$21,772.00
5450.04	Crime	\$74,739.00	\$72,551.00	\$6,093.00
5450.06	Excess Liability	\$8,998,588.00	\$9,227,823.35	\$952,297.12
5450.17	Data Compromise	\$595,396.00	\$238,791.40	\$19,899.00
5450.18	Concussion Coverage	\$27,000.00	\$27,000.00	\$2,250.00
5450.19	Terrorism	\$35,627.00	\$34,621.50	\$2,943.00
5800.00	Miscellaneous	\$500.00	\$0.00	\$0.00
5800.02	Audit	\$13,395.00	\$13,145.00	\$0.00
5800.08	Safety Incentive Projects	\$0.00	\$0.00	\$0.00
5800.10	Consulting	\$225,600.00	\$118,686.80	\$24,926.00
5800.15	Property Appraisals	\$51,953.00	\$56,940.00	\$0.00
5800.32	Bank Fees	\$4,800.00	\$4,188.48	\$0.00
5800.50	Administration - KCSOS	\$3,609,332.00	\$3,360,815.06	\$294,446.70
5800.55	Student Ins Claims	\$715,300.00	\$661,187.86	\$61,231.52
5800.56	Tackle FB Claims	\$22,000.00	\$25,440.09	\$6,264.64
5800.57	Supp Student Ins Claims	\$1,250.00	\$0.00	\$0.00
5800.58	Spec Ed VCP	\$443,924.00	\$0.00	\$0.00
5800.66	Property Claims	\$2,203,443.00	\$2,478,720.04	\$45,966.59
5800.67	Liability Claims	\$17,549,340.00	\$12,932,597.61	\$887,343.71
5800.69	Auto Claims	\$1,387,349.00	\$1,325,004.43	\$324,316.38
5800.90	Bill Review	\$7,000.00	\$4,314.46	(\$56.96)
5800.94	Other Distributions	\$0.00	\$0.00	\$0.00
5800.95	Unpaid Claims Liab Adj	\$2,000,000.00	\$15,807,880.00	\$0.00
TOTAL EXPENSES		\$48,469,944.00	\$56,274,064.93	\$3,516,432.03
CHANGE IN NET ASSETS		\$2,147,098.00	(\$6,357,770.25)	\$524,526.83
NET ASSETS - BEGINNING		\$20,531,156.76	\$20,531,156.76	\$13,648,859.68
NET ASSETS - ENDING		\$22,678,254.76	\$14,173,386.51	\$14,173,386.51

SISC II
BALANCE SHEET
June 30, 2023

	July 1, 2022 BALANCE	June 30, 2023 BALANCE
<u>ASSETS</u>		
9110.00 Cash in County Treasury	\$26,531,035.33	\$26,482,902.13
9120.02 Bank Account-Claims Fund	\$1,801,918.91	\$1,885,323.19
9130.00 Revolving Fund	\$1,500.00	\$1,500.00
9150.01 Local Agency Investment Fund	\$6,082.91	\$6,188.41
9150.03 Investments	\$51,262,003.61	\$59,781,493.47
9200.00 Accounts Receivable	\$770,798.63	\$313,005.65
9330.00 Prepaid Insurance	\$4,359,462.00	\$5,259,658.00
TOTAL ASSETS	\$84,732,801.39	\$93,730,070.85
<u>LIABILITIES</u>		
9500.00 Current Liabilities	\$793,524.63	\$293,426.56
9650.00 Deferred Income	\$0.00	\$47,257.78
9668.00 Unpd Clms Liab (90% Conf Lvl)	\$63,408,120.00	\$79,216,000.00
TOTAL LIABILITIES	\$64,201,644.63	\$79,556,684.34
NET ASSETS - Funding Stabilization Rese	\$20,531,156.76	\$14,173,386.51
TOTAL LIABILITIES AND NET ASSETS	\$84,732,801.39	\$93,730,070.85

AUTHORIZED SIGNATURE

PREPARED BY: Nancy Russo

SISC II
Investments
June 30, 2023

24-HOUR LIQUID FUNDS

SISC II maintains much of its cash in the Kern County Treasury and Local Agency Investment Fund. Both agencies pool these funds with those of other entities in the state. These pooled funds are carried at cost which approximates market value.

AGENCY	BALANCE	RETURN	PERIOD	DATES
COUNTY OF KERN	\$26,482,902.13	2.42%	LAST QUARTER	JAN-MAR 2023
		1.58%	5 YEAR AVERAGE	APR 2018-MAR 2023
LOCAL AGENCY INVESTMENT FUND	\$6,188.41	3.17%	CURRENT MONTH	June, 2023
		2.74%	LAST QUARTER	JAN-MAR 2023
		1.49%	5 YEAR AVERAGE	APR 2018-MAR 2023

INVESTMENT MANAGEMENT ACCOUNTS

The investment securities portfolio is comprised of securities carried at fair market value.

The fair market value of the investment securities available for sale at March 31, 2023 was:

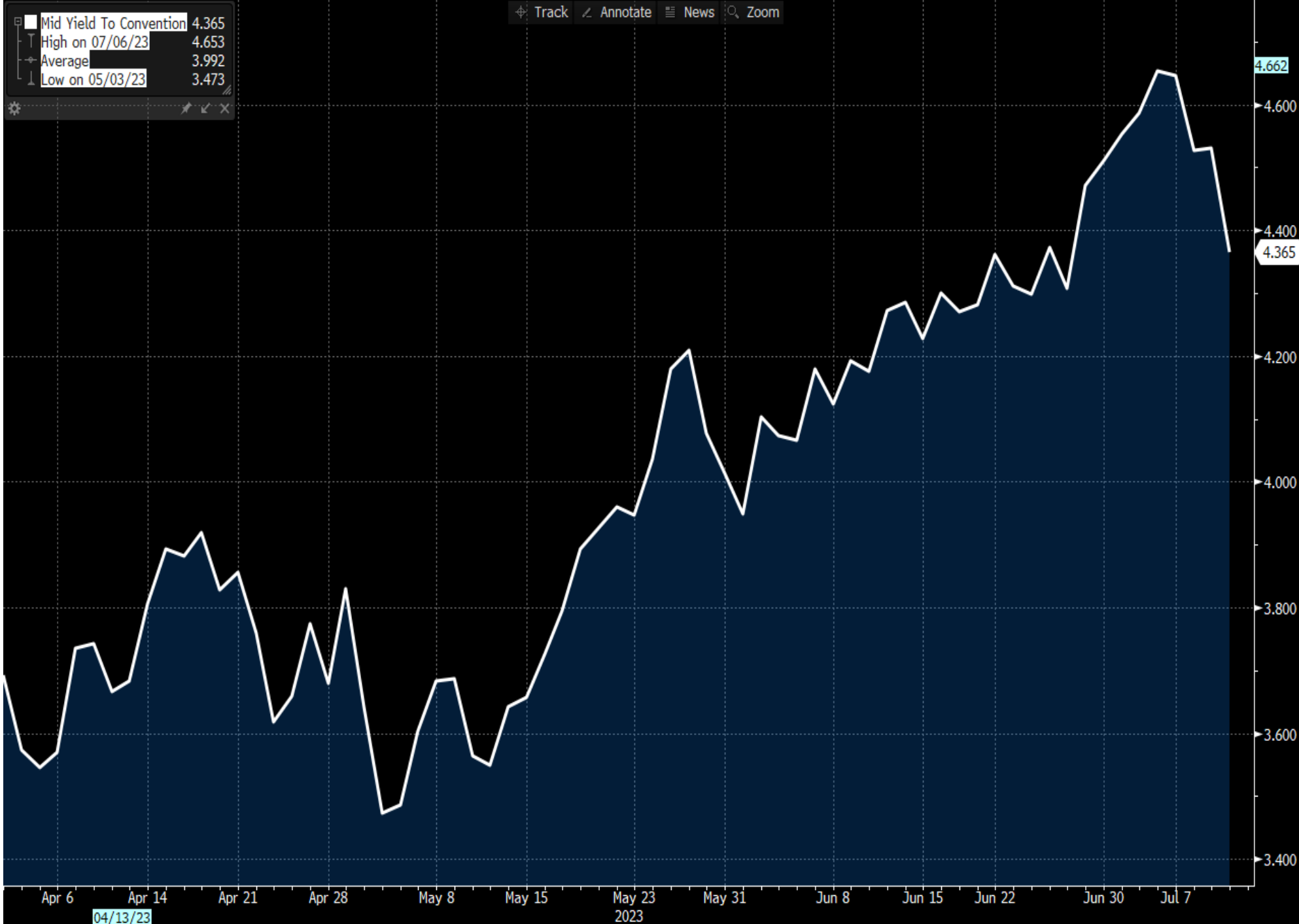
INVESTMENT FIRM	MARKET VALUE	QUARTERLY RETURN	ANNUALIZED RETURN	PERIOD	DATES
MADISON INVESTMENTS (SISC INVESTMENT POOL)	\$24,810,337.00	1.49%	6.06%	LAST QUARTER	JAN-MAR 2023
			1.04%	5 YEAR AVERAGE	APR 2018-MAR 2023
			4.33%	YIELD TO MATURITY	AS OF MAR 31, 2023
WELLS FARGO ADVISORS (RICH EDWARDS)	\$34,971,156.47	1.39%	5.65%	LAST QUARTER	JAN-MAR 2023
			0.79%	5 YEAR AVERAGE	APR 2018-MAR 2023
			4.10%	YIELD TO MATURITY	AS OF MAR 31, 2023
	<u>\$59,781,493.47</u>				

5-YEAR HISTORY OF RETURNS - ANNUALIZED

Quarter Ending:	Co of Kern	LAIF	INVESTMENT POOL	RICH WELLS FARGO	COMBINED WEIGHTED AVERAGE RETURN
3/31/2023	2.42%	2.74%	6.06%	5.65%	4.63%
12/31/2022	2.16%	2.07%	3.47%	3.48%	2.89%
9/30/2022	1.06%	1.35%	-4.79%	-7.15%	-2.24%
6/30/2022	1.00%	0.75%	-2.22%	-2.88%	-1.35%
3/31/2022	0.95%	0.32%	-9.06%	-9.18%	-5.11%
12/31/2021	0.84%	0.23%	-2.39%	-2.02%	-0.55%
9/30/2021	1.24%	0.24%	-0.20%	0.26%	0.69%
6/30/2021	1.00%	0.33%	0.80%	0.00%	0.65%
3/31/2021	1.07%	0.44%	-1.86%	-0.90%	-0.47%
12/31/2020	1.16%	0.63%	0.18%	0.55%	0.72%
9/30/2020	1.30%	0.84%	0.43%	0.40%	0.83%
6/30/2020	1.70%	1.47%	2.89%	4.28%	3.23%
3/31/2020	2.10%	2.03%	8.05%	3.01%	5.13%
12/31/2019	2.13%	2.29%	1.12%	2.22%	1.80%
9/30/2019	2.03%	2.45%	2.85%	2.84%	2.49%
6/30/2019	2.03%	2.57%	4.84%	4.81%	4.48%
3/31/2019	2.12%	2.55%	4.25%	4.19%	3.81%
12/31/2018	1.92%	2.40%	4.30%	3.41%	3.24%
9/30/2018	1.77%	2.16%	1.09%	1.95%	1.59%
6/30/2018	1.69%	1.90%	1.00%	0.86%	0.98%
5-Yr Average	1.58%	1.49%	1.04%	0.79%	1.37%

04/01/2023 - 07/12/2023 Mid YTW BGN Local CCY Mov Avgs Key Events

1D 3D 1M 6M YTD 1Y 5Y Max Daily Table + Related Data Add Data Edit Chart



**SISC II – Property & Liability
JULY 2023 BOARD MEETING**

Excess Liability Renewal for 2023-24

Policy Term: July 1, 2023 to June 30, 2024

Self-Insured Retention: \$2.00 million (no change)
\$2.00 million – SAM claims (FY 22-23 \$2.50 million)

Limits: \$53 million (no change)

Rate per ADA: 1st Layer - \$5.63 (19.82% increase)
2nd Layer - \$21.57 (10.00% increase)

Premium – 1st Layer \$2,085,000
Excess Limit: \$3,000,000 x/s of \$2,000,000 SIR

Carrier	A.M. Best Rating	Limits	Premium
Great America Assurance Co.	A+ XV (Superior)	\$3,000,000	\$2,085,000

Premium – 2nd Layer \$7,122,503
Excess Limit: \$50,000,000 x/s of \$5,000,000

Carrier	A.M. Best Rating	Limits	Premium
Schools Excess Liability Fund	N/A	\$50,000,000	\$7,122,503

Total Premiums	\$ 9,207,503
Taxes	\$ 0.00
Grand Total	\$ 9,207,503

It is respectfully requested that the Board retroactively approve the 2023-24 Excess Property renewal.

July 1, 2023

TO: District Superintendents
SISC Member Districts

FROM: Robert J. Kretzmer
Director, Property & Liability

SUBJECT: 2023-2024 Coverage Summary

This correspondence verifies that the 2023-2024 Memorandum of Coverage (MOC) documents for your auto/bus, liability and property risks are in force. Please consult the applicable coverage document to fully understand the nature and limitations of the coverage afforded. Coverage documents and “generic” certificates of insurance can be obtained from the SISC website at <http://sisc.kern.org/pl/>

AUTOS AND BUSES

Under the Memorandum of Coverage No. SAP 7123 24, effective July 1, 2023 through July 1, 2024, SISC provides coverage for owned autos, hired autos, borrowed autos, and non-owned autos. Members should refer to the Memorandum of Coverage posted on the SISC website for particulars related to the coverages afforded.

SISC has a \$2,000,000 self-insured retention (SIR) over the district’s deductible. Reinsurance coverage is provided by our commercial excess reinsurer in the amount of \$3,000,000, in excess of \$2,000,000, for a total of a \$5,000,000 limit per accident. In addition, SISC collaborates with the Schools Excess Liability Fund (SELF) for coverage in the amount of \$50,000,000 excess of \$5,000,000.

A standard \$5,000 deductible is applicable to collision and comprehensive claims for buses. The liability deductible for auto bodily injury and auto property damage claims \$5,000 for both buses and other vehicles. The deductible for collision and comprehensive losses will be in the amount of \$2,500 for other vehicles.

BOILER AND MACHINERY

The Boiler & Machinery policy is underwritten by Hartford Steam Boiler Insurance Company for the period of July 1, 2023 through July 1, 2024, subject to the policy’s exclusions, definitions, conditions and other limitations. Coverage is provided on a comprehensive basis with a limit of \$25,000,000, subject to the \$5,000 deductible feature, and covers boilers and various equipment and machinery on a replacement cost basis. A \$10,000 deductible applies to combined hardware, software, and data restoration.

COMPREHENSIVE CRIME

The Comprehensive Crime policy is underwritten by National Union Fire Insurance Company (subject to the policy’s exclusions, definitions, conditions and other limitations) coverage is effective July 1, 2023 through July 1, 2024, and provides coverage for inside crime, outside crime, depositor’s forgery, employee dishonesty and credit card forgery. Coverage is afforded in the amount of \$250,000 per occurrence along with the application of a \$7,500 deductible.

CONCUSSION INSURANCE

Coverage is provided to our member districts whose enrollment includes interscholastic sports for grades nine through twelve. This program has effective dates of August 1, 2023 through August 1, 2024, and is being underwritten by Nationwide Life Insurance Company. Coverage is triggered with the diagnosis of a concussion injury resulting from participation in a game or practice involving an interscholastic sport. The benefit is for an overall maximum medical expense up to \$25,000. All claims originate with SISC staff and will be coordinated and processed through the SISC Student Insurance Program. Questions regarding the coverage afforded and the processing of claims should be directed to Elsa Lara, Claims Examiner, at 661-636-4736 or by e-mail at ellara@siscschools.org

CYBER SUITE COVERAGE

SISC has partnered with the Hartford Steam Boiler Insurance Company to provide Cyber Suite Coverage to our member districts. Coverage is July 1, 2023 through July 1, 2024. There are seven (7) specific coverages available to our member districts under the plan. These are listed as Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Data Compromise Liability, Network Security Liability, Electronic Media Liability and Identity Recovery. The annual aggregate policy limit per member district is in the amount of \$50,000 effective July 1, 2023. Please note this represents a reduction in the annual aggregate policy limit from the previous policy year's limit. Sub-limits pertain to Forensic IT Review, Legal Review, Federal and PCI Fines and Penalties, and Public Relations Services. A \$10,000 deductible applies to the Cyber Suite coverage. Questions regarding this coverage can be directed to Robert Kretzmer, Director, at 661-636-4709.

LIABILITY COVERAGE

Under the Memorandum of Coverage No. SLP 7123 24, effective July 1, 2023 through July 1, 2024, SISC provides a \$2,000,000 self-insured retention over the district's deductible. Reinsurance is provided in the amount of \$3,000,000 excess of the SISC self-insured retention for auto and general liability exposures and is subjected to a \$15,000,000 annual aggregate limit for the entire pool. (Inclusive of claims/suits related to childhood sexual abuse and molestation.) A \$6,000,000 increase over the aggregated limit in the 2022-2023 fiscal year. Excess reinsurance coverage is provided by SELF in the amount of \$50,000,000 above the \$5,000,000 attachment point.

A \$5,000 deductible is applicable per occurrence on each claim. A \$25,000 deductible will be applicable to claims and/or suits resulting from sexual abuse or molestation for districts with an ADA of below 4,000. A \$50,000 deductible will be applicable to these claims or suits for districts with an ADA above 4,000.

Coverage A - Bodily Injury; Coverage B - Property Damage; Coverage C - Errors and Omissions; Coverage D - Personal Injury; Coverage E - Employment Practices; Coverage F – Employee Benefit Wrongful Acts; and Coverage G - Liability that the Member is required to insure against under Education Code sections 35208 and 72507 or is authorized to insure against under Government Code sections 989 and 990.

The MOC does not cover employees who willfully or intentionally participate in misconduct. Although not required to do so, SISC may exercise its discretion to extend a defense to alleged offenders if its investigation determines the allegations are likely without merit; however, it may not indemnify them if they are held liable for willful or intentional misconduct, as to do so is barred by law. Similarly, SISC will defend but not indemnify districts for wrongful termination, retaliation, and other alleged violations of law that result from intentional administrative actions.

Coverage generally is afforded for claims or suits arising from premises, operations, professional, products, contractual liability, errors and omissions and employment practices liability, subject to the exclusions, definitions, limitations and conditions found in the MOC.

Coverage is written on an occurrence basis for bodily injury, property damage, errors and omissions. Coverage is afforded with respect to personal injury and employment practices subject to an offense described in the definition of personal injury and employment practices.

The Student Accident Coverage provided by SISC is now found under Endorsement No. 2 attached to the Liability MOC. It is of course subject to the policy's exclusions, definitions, conditions and other limitations and provides benefits for student injury during regular classes, class trips, summer school and recreation, school sponsored activities and while students are on school owned or operated transportation.

Please note that under Endorsement No. 2, a section for supplementary coverages has been added. Please refer to page three and four of Endorsement No. 2, under letter K. These new supplementary coverages will afford mental health services to students under specific circumstances that result from physical injury.

Student accident coverage is secondary to any other applicable health insurance available to the student. Medical payment limit is \$2,500. No deductible applicable. Coverage is included for athletic injury, except tackle football. The benefit period is fifty-two (52) weeks and benefits are limited to usual and reasonable expenses unless specifically stated otherwise. The coverage pays for medical services commenced within thirty (30) days of injury.

PROPERTY COVERAGE

Under our Memorandum of Coverage SPP 7123 24, effective July 1, 2023 through July 1, 2024, SISC provides coverage for the district's interest in covered property. The coverage applies to all property of the insured including both real and personal property and including personal property of others for which the insured is liable (reporting requirements and conditions apply). Excess coverage is provided by commercial excess insurers above \$250,000, with a combined total of \$150,000,000.

The standard deductible for a property loss is \$5,000. Districts with building values in excess of \$100,000,000 are eligible for higher deductible options.

SISC does afford flood coverage under the Property MOC and our excess insurer. An annual aggregate limit of \$7,500,000 applies to flood coverage for all member districts combined under the excess policies.

The Property MOC covers all risk of direct physical loss or damage, subject to the exclusions, definitions, conditions and other limitations set forth in the policy. In general, a deductible of \$5,000 applies to all losses. Please note that some districts have elected to take higher deductible amounts. Members should refer to their own individual MOC's.

Certain properties owned by your district or in your district's control are subject to sub-limits. A listing of those sub-limits can be found in Section VIII of the Property MOC entitled "Limits of Liability." In addition, there are particular kinds of property that are simply not covered under the MOC. These properties can be found under Section II of the MOC entitled "Interest and Property Not Covered."

Building and contents are insured for replacement cost; however, to recover replacement cost on a loss requires proof of actual replacement. Some property is valued at actual cash value; check the MOC for details on valuation.

SCHOOL CONNECTED ORGANIZATIONS

Liability coverage for School Connected Organizations can be purchased through SISC for your district's booster club or foundation. SISC has collaborated with USLI Insurance to provide this coverage to our membership. Questions regarding how your booster club or foundation can apply for this coverage can be directed to Lilia Morentin, Administrative Secretary, at 661-636-4495 or by e-mail at libeck@kern.org

SPECIAL EDUCATION VOLUNTARY COVERAGE PROGRAM

SISC affords coverage to our member districts under the Special Education Voluntary Coverage Program (SEVCP) for the reimbursement of fees and costs associated with the defense of due process complaints before the Office of Administrative Hearings. This coverage pays up to \$200,000 (in the aggregate) per year to each enrolled member district with an ADA of 4,000 or above and \$100,000 (in the aggregate) per year to each enrolled member district with an ADA under 4,000. Should your district wish to enroll in this voluntary coverage program please contact Lilia Morentin, Administrative Secretary.

SUPPLEMENTAL STUDENT ACCIDENT COVERAGE

This is a voluntary coverage program available for purchase by the parents or guardians of enrolled students within your member district. The program is self-administered and underwritten entirely by SISC. Coverage is afforded up to \$25,000 above the standard Student Accident Coverage benefit of \$2,500. Scheduled benefits apply per the plan. This is a low cost supplemental insurance plan that applies to incidents that take place during regular school hours, on school premises while school is in session. The coverage also applies to travel to and from scheduled classes in a school furnished vehicle and while participating in school sponsored and supervised sports with the exception of tackle football. Questions regarding the application process for this coverage should be directed to Elsa Lara, Claims Examiner.

TACKLE FOOTBALL COVERAGE

This coverage can be purchased by parents or guardians of students who elect to participate in tackle football. The program is completely self-funded and self-administered by SISC staff. The policy will pay up to \$15,000 for covered medical expenses due to accidental bodily injury sustained in any one accident. The covered treatment, care, and services must be rendered within fifty-two (52) weeks of the accident. This is a low cost voluntary coverage available to parents and/or guardians seeking to provide coverage for the student athlete either as their primary or secondary insurance. In the event you have questions concerning enrollment or benefits, please contact Elsa Lara, Claims Examiner.

TERRORISM COVERAGE

SISC affords coverage for damage to property that result from acts of terrorism or sabotage in the amount of \$10 million above the SISC self-insured retention of \$250,000. In general, an act of terrorism is one that includes the use of force or violence, committed for political, religious or ideological reasons. In addition, SISC affords coverage for liability exposures to our member districts that result solely and directly from an act or acts of terrorism in the amount of \$1.75 million.

Should you have any further questions, please contact the SISC office by calling 661-636-4495.

RJK:lm

**SISC**Self-Insured Schools of California
Schools Helping Schools**Memorandum of Coverage****No. SAP 7123 24****School Business Auto Liability
and Physical Damage Program****Auto Coverage
Declarations**

Throughout this Memorandum of Coverage ("Memorandum"), words and phrases that appear in bold print have special meaning and are defined in the "Definitions" section(s).

- A. Covered Party:
- B. Covered Period: July 1, 2023 to July 1, 2024
- C. Limit of Liability per Accident: \$2,000,000.00
- D. Deductible per Accident: \$5,000 Collision/Comp deductible for buses
\$2,500 Collision/Comp deductible for other vehicles
\$5,000 Auto Liability/Bodily Injury
\$5,000 Auto Liability/Property Damage

A deductible per loss exposure will be applied not to exceed a maximum of three deductibles per accident. In the event there is more than one member agency vehicle involved in the same accident a deductible charge per member agency vehicle will apply.

In consideration of the payment of premium and subject to the following Terms and Provisions, Self-Insured Schools of California (SISC II), hereinafter referred to as the "**authority**," and the party named in the Declarations, herein-after referred to as the "**covered party**," do hereby agree as follows:

E. Schedule of Coverage and Covered Autos**1. Schedule of Coverages**

<u>Coverages</u>	<u>Covered Autos</u>	<u>Limits</u>
Liability Coverage	A, B, C, D, E, F	\$2,000,000.00
Medical Payments Coverage	N/A	—
Uninsured Motorist Coverage	N/A	—
Physical Damage:		
o Comprehensive Coverage	A, B, C, D, E,	Actual Cash Value
o Collision Coverage	A, B, C, D, E, F	Actual Cash Value

<u>Coverages</u>	<u>Covered Autos</u>	<u>Limits</u>
Garage Liability Coverage	A, D	\$2,000,000.00
Garagekeepers Legal Liability Coverage:		
o Comprehensive Coverage	D	Actual Cash Value
o Collision Coverage	D	Actual Cash Value

2. Schedule of Covered Autos

- A. **Owned Autos**
- B. **Hired Autos**
- C. **Borrowed Autos**
- D. **Non-Owned Autos**
- E. **Trailers**
- F. **Owned Autos Acquired After the Coverage Begins**

- F. Item E of the Auto Coverage Declarations shows the "**autos**" that are covered **autos** for each of the coverages. The letters entered next to the coverage correspond to the description provided in Item E and as defined in Section III of this Memorandum. The letters entered next to the coverage designate the only "**autos**" that are covered **autos**.

* Includes towing coverage subject to the deductible stated in the Declarations.

Memorandum of Coverage

No. SAP 7123 24

School Business Auto Liability And Physical Damage Program

This Memorandum of Coverage ("Memorandum") refers to Self-Insured Schools of California (SISC II) as the **authority** and the party named in Item A of the declarations as the **member**. The **authority** is a public joint powers authority formed pursuant to California Government Code sections 990.4, 990.8, and 6500 et seq. In consideration of the contribution paid by the **member** and the liability coverage provided by the **authority** below, they agree as follows:

I. Auto Liability Coverage

A. Terms of Coverage

1. The **authority** will pay all sums the **covered party** legally must pay as damages because of **bodily injury** or **property damage** to which this memorandum of coverage applies, up to the limit of liability stated in the declarations, caused by an **accident** which results from the ownership, operation, maintenance, or use of a covered **auto**.
2. The **authority** has the right and duty to select defense counsel and defend any **suit** against the **covered party** asking for damages arising out of an **auto accident**; however, there is no duty to defend **suits** for **bodily injury** or **property damage** not covered by this memorandum of coverage. The **authority's** duty to defend or settle ends when the **auto** liability coverage limit has been exhausted by payment of judgments or settlements.

B. Who Is Covered

1. The **covered party** named in the declaration
2. Other **covered parties** are:
 - a) Anyone else while using, with the permission of the **covered party**, any **owned auto**, **hired auto**, **borrowed auto** or **non-owned auto**, except:
 - (1) Anyone using a covered **auto** while engaged in the business of selling, repairing or parking autos, unless such business is owned by the **covered party**;
 - (2) Anyone using a **hired**, **borrowed** or **non-owned auto** not in the business of the **covered party**;
 - (3) Anyone other than an employee of the **covered party** while using a **borrowed** or **non-owned auto**;
 - (4) Any **auto** not owned by the **covered party** while used, with the permission of the owner, as a temporary substitute **auto** for an **owned auto** which is out of service because of:

- (a) Breakdown
- (b) Servicing
- (c) Repair
- (d) Loss or destruction

- b) Anyone else who is not otherwise excluded under paragraph I.B.2 above and is liable for the conduct of the **covered party**, but only to the extent of that liability.

C. Exclusions

This memorandum of coverage does not apply to:

1. Any obligation for which the **covered party** may be held liable under any workers' compensation or disability law or under any similar law.
2. Any obligation of the **covered party** to indemnify another for damages resulting from **bodily injury** to any employee of the **covered party**.
3. **Bodily injury** to any employee or resident relative of the **covered party** arising out of and in the course of his or her employment.
4. **Property damage** to property:
 - a) Owned, used or transported by any **covered party**.
 - b) Rented, leased to, or in the charge, care, custody or control of any **covered party**.
5. Any **bodily injury** or **property damage** resulting from handling of property before it is moved into or onto the covered **auto** or after it is moved from the covered **auto** to its place of delivery.
6. **Bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, release or escape of **pollutants**:
 - a) Being transported, towed, or handled for movement, into, on or from a covered **auto**;
 - b) Otherwise in the course of transit by a **covered party**;
 - c) Being stored, disposed of, treated or processed in or on the covered **auto**;
 - d) Before they are moved by a covered **auto** from the place they are stored, during any movement by a covered **auto**, or after they are delivered, disposed of, or abandoned by the **covered party**.
7. Any **loss** cost or expense arising out of any governmental direction or request to monitor, clean up, remove, contain, treat, detoxify, or neutralize **pollutants**.
8. **Bodily injury** or **property damage** resulting from the hazardous properties of nuclear material, however manifested, and including, but not limited to, nuclear explosion, reaction, radiation, or radioactive contamination.
9. **Bodily injury** or **property damage** expected or intended from the standpoint of the **covered party**.
10. **Bodily injury** or **property damage** arising out of the use of any automobile used in or while in practice or preparation for pre-arranged racing, speed, demolition, stunting activity, auto rally or exhibition.

11. This coverage does not apply to any obligation of any **covered party** under any Uninsured Motorist or Underinsured Motorist law and to any sums you may be legally entitled to recover as damages from the owner or operator of an uninsured or underinsured **auto** because of **bodily injury** or **property damage** sustained by any **covered party**, caused by an occurrence and arising out of the ownership, maintenance or use of such **auto**. Use includes operation and loading and unloading.

D. Limit of Coverage – Liability

Regardless of the number of covered **autos**, **covered parties**, premiums paid or claims made or vehicles involved in the accident, the most the **authority** will pay for all damages resulting from one accident involving one **covered party** is the limit of coverage outlined in the declarations. All **bodily injury** or **property damage** resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one accident.

II. Auto Physical Damage Coverage

In consideration of the payment of premium, the **authority** agrees with the **covered party** as follows:

A. Coverage – The **authority** will pay for **loss** to a covered **auto** or its equipment under:

1. Comprehensive Coverage: From any cause except the covered auto's collision with another object or its overturn.
2. Collision Coverage: Caused by the covered auto's collision with another object or its overturn.

B. Exclusions

This memorandum of coverage does not apply to:

1. Wear and tear, freezing, mechanical or electrical breakdown;
2. Blowouts, punctures or other road damage to tires;
3. **Loss** caused by declared or undeclared war, insurrection, rebellion or their consequences, or any act or condition incident to war;
4. Loss caused by the explosion of a weapon or its consequences;
5. **Loss** caused by radioactive contamination, nuclear reaction or radiation, however caused;
6. Loss to sound reproducing equipment not permanently installed in a covered auto;
7. **Loss** to tapes or other sound reproducing devices designed for use with sound reproducing equipment;
8. **Loss** to any sound receiving equipment, citizens band radio, two-way mobile radio or telephone, or scanning monitor receiver, including its antennas and other accessories, unless they are permanently installed in the covered auto.

C. Limit of Liability – At its option, the **authority** may:

1. Pay for, repair or replace damaged or stolen property; or
2. Return the stolen property at the **authority's** expense and repair the damage caused by the theft.
3. The limit of liability is the smaller of the following amounts:
 - a) The actual cash value (ACV) of the stolen property at the time of **loss**; or

- b) The cost of repairing or replacing the damaged or stolen property with other of like kind or quality.

D. Deductible: For each covered **auto**, the obligation to pay to repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown below.

<u>Coverage</u>	<u>Deductible*</u>
Comprehensive Coverage	As stated in the Declarations
Collision Coverage	As stated in the Declarations

*Applies per accident or loss.

E. Duties of **covered party** in the event of **loss**

To recover for **loss** to a covered **auto** or its equipment, the **covered party** must do the following:

1. Submit written notice of accident or **loss**, including the time, place and circumstance;
2. Permit the **authority** or its authorized representative to appraise the damaged property;
3. Promptly notify the police or appropriate civil authority if the covered **auto** or any of its equipment is stolen or vandalized;
4. Take reasonable steps to protect the covered **auto** from further **loss** following an **accident** or **loss**;
5. Submit a proof of **loss** as required by the **authority**.

F. Appraisal – If the **covered party** and the **authority** fail to agree as to the amount of **loss**, either may demand an appraisal of the **loss**. The **covered party** and the **authority** shall each select a competent appraiser and the appraisers shall select a competent disinterested umpire. The appraisers shall state separately the actual cash value (ACV) and the amount of **loss** and, failing to agree, they shall submit their differences to the umpire for a decision and award. The **covered party** and the **authority** shall each bear the cost of their own selected, competent appraiser, and shall bear equally the cost of the umpire and other expenses of appraisal and award.

G. No Benefit to Bailee - The **authority** will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Memorandum of Coverage.

III. Garage Coverage

A. Garage Liability Coverage

1. The **authority** will pay all sums the **covered party** legally must pay as damages because of **bodily injury** or **property damage** to which this coverage applies caused by an **accident** resulting from "garage operations".
2. The **authority** has the right and duty to defend any **suit** asking for these damages. However, the **authority** has no duty to defend **suits** for **bodily injury** or **property damage** not covered by this memorandum of coverage. The **authority** has the right to investigate and settle any claim or **suit** it deems appropriate. The duty to defend or settle any claim or **suit** ends when the liability limit stated in the declarations has been exhausted by payment of judgments or settlements.

- a) Limits - as stated in the Declarations.
- b) Deductible - as stated in the Declarations.
- c) Covered Auto – Any **non-owned auto** left with the **covered party's** "garage operations" for service, repair, storage or safekeeping.

3. Limit of Coverage – Liability

Regardless of the number of covered **autos**, **covered parties**, premiums paid or claims made or vehicles involved in the accident, the most the **authority** will pay for all damages resulting from one accident involving one **covered party** is the limit of coverage outlined in the declarations. All **bodily injury** or **property damage** resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one accident.

B. Garage-keepers Legal Liability Coverage

- 1. The **authority** will pay all sums the **covered party** legally must pay as damages for **loss** to a covered **auto** or **auto** equipment left in the care of the **covered party** for service, repair, storage, or safekeeping under **covered party's** garage operations for:
 - a) Comprehensive coverage – for any cause except:
 - (1) The covered **auto's** collision with another object; or
 - (2) The covered **auto's** overturn.
 - b) Collision coverage caused by:
 - (1) The covered **auto's** collision with another object; or
 - (2) The covered **auto's** overturn.
- 2. Regardless of the number of covered **autos**, claims made, or **suits** brought, the most the **authority** will pay for each **loss** at each location of garage operations subject to the applicable deductible is actual cash value not to exceed the limit of liability stated in the declarations.

C. Who is Covered

- 1. The **covered party** named in the declarations.
- 2. Other **covered parties** are:
 - a) Anyone else while using, with the permission of the **covered party**, any owned, hired, borrowed or non-owned auto, except:
 - (1) Anyone using a covered **auto** while engaged in the business of selling, repairing or parking **autos** unless such business is owned by the **covered party**;
 - (2) Anyone using a **hired, borrowed or non-owned auto** not in the business of the **covered party**;
 - (3) Anyone other than an employee of the **covered party** while using a **borrowed or non-owned auto**;
 - (4) Any **auto** not owned by the **covered party** while used with the permission of the owner as a temporary substitute **auto** for an **owned auto** which is out of service because of:

- (a) Breakdown;
- (b) Servicing;
- (c) Repair;
- (d) **Loss** or destruction.

D. Exclusions

The **authority** will not pay for **loss** or damage caused by or resulting from the following:

1. **Bodily injury** or **property damage** expected or intended from the standpoint of the **covered party**, but this exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property.
2. Liability assumed under agreement or contract, but this exclusion does not apply to a covered contract.
3. Any obligation for which the **covered party** may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.
4. **Bodily injury** to an employee arising out of and in the course of employment by the **covered party** or **bodily injury** to any fellow employee of the **covered party** arising out of and in the course of the fellow employee's employment.
5. Property owned by the **covered party**.
6. Any watercraft or aircraft.
7. **Property damage** to the parts actually worked on, or to the actual work performed by the **covered party**, including materials or equipment used in connection with such work.
8. Damages claimed for any **loss**, cost or expense incurred for the **loss** of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of the products or work performed or other property of which they form a part, if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of known or suspected defect, deficiency, inadequacy or dangerous condition in it.
9. **Bodily injury** or **property damage** due to war, whether declared or not, including civil war, insurrection, rebellion or revolution.
10. Wear, tear, freezing, mechanical or electrical breakdown.
11. Blowouts, punctures or other road damage to tires.
12. **Bodily injury** or **property damage** arising out of the actual, alleged or threatened discharge, dispersal, release or escape of **pollutants**:
 - a) Being transported, towed or handled for movement into, on or from a covered **auto**;
 - b) Otherwise in the course of transit by a **covered party**;
 - c) Being stored, disposed of, treated or processed in or on the covered **auto**;

- d) Before they are moved by a covered **auto** from the place they are stored, during any movement by a covered **auto**, or after they are delivered, disposed of or abandoned by the **covered party**.
- 13. Any **loss** cost or expense arising out of any governmental direction or request to monitor, clean up, remove, contain, treat, detoxify or neutralize **pollutants**.
- 14. Participating in any organized racing event.

E. Special Provisions

- 1. The most the **authority** will pay for **loss** to a covered **auto** is the lesser of:
 - a) The actual cash value of the damaged or stolen property as of the time of **loss**; or
 - b) The cost to repair or replace the damaged or stolen property with other property of like kind and quality.
- 2. If there is a disagreement as to the amount of **loss**, either the **authority** or the **covered party** may demand an appraisal of **loss**. In this event, each party will select a competent appraiser. The two appraisers will select a competent, impartial umpire. The appraisers will separately determine the actual cash value and **loss**, and if they fail to agree, they will submit their differences to the umpire. The umpire will make a decision binding upon each party. Each party will:
 - a) Pay its chosen appraiser's fees; and
 - b) Bear all other expenses of the appraisal and the fees of the umpire equally.
- 3. No one may bring legal action against the **authority** under this Garage Form until:
 - a) There has been full compliance with all of the terms and conditions of this coverage; and
 - b) Under the liability coverage, it is agreed in writing, with the **authority's** consent, that the **covered party** has an obligation to pay, or until that obligation has been finally determined by judgment after trial. No one has the right under this coverage to bring the **authority** into any legal action to determine the **covered party's** liability.
- 4. If payment is made under this coverage form, the **authority** has the right to recovery and the **covered party** agrees to:
 - a) Transfer all rights of recovery to the **authority** following payment of **loss**; and
 - b) Assist the authority in perfecting its right of recovery and do nothing following an accident or **loss** to impair those rights of recovery.

IV. Definitions Applicable to All Coverage Parts

- A. **Accident** means a fortuitous event, including the continuous or repeated exposure to the same conditions, resulting in **bodily injury** or **property damage** which was neither

expected nor intended from the standpoint of the **covered party**.

- B. **Authority** means Self-Insured Schools of California (SISC II).
- C. **Auto** means a land motor vehicle, bus, **trailer** or semi-trailer designed and licensed for travel on public roads, but does not include **mobile equipment** or motorcycles.
- D. **Bodily Injury** means bodily harm, sickness or disease, including death or loss of services resulting from any of these.
- E. **Borrowed autos** means an **auto** borrowed by the **covered party** named in the declarations from someone else, including any employee of the **covered party** with the permission of the owner and while used solely in connection with the business of the **covered party** named in the declarations. A **borrowed auto** does not include an **owned**, leased, **hired**, rented or a temporary substitute **auto**.
- F. **Covered contract** means:
 - a) A lease of premises;
 - b) A sidetrack agreement;
 - c) An easement agreement in connection with railroad crossings;
 - d) An indemnification of a municipality as required under ordinance;
 - e) That part of a contract or agreement pertaining to the covered garage business under which the tort liability of another is assumed by the **covered party** to pay damages because of **bodily injury** or **property damage** to a third party or organization if the contract is made prior to such **bodily injury** or **property damage**. Tort liability means liability that would be imposed by law in the absence of any contract or agreement.
- G. **Covered party** means the **covered party** named in the declarations and any party meeting the definition of "other **covered parties**" stated in Section I. B. 2 of this memorandum.
- H. **Garage operations** means the ownership, maintenance or use of locations for garage business and that portion of the roads or other accesses that adjoin these locations. Garage operations include the ownership, maintenance or use of the autos indicated in the declarations as covered **autos**. Garage operations also include all operations or incidental to a garage business.
- I. **Hired auto** means only those **autos** which the **covered party** named in the declarations rents or leases, but does not include **borrowed autos**.
- J. **Loss** means direct and accidental damage or **loss**.
- K. **Mobile equipment** means any of the following land vehicles:
 - a) Specialized equipment such as bulldozers, power shovels, rollers, graders, scrapers, cranes, farm machinery, street sweepers, forklifts, pumps, generators, air compressors, drills or other similar equipment designed for use principally off public roads;
 - b) Vehicles designed for use principally off public roads;

c) Vehicles not required to be licensed.

- L. **Non-owned auto** means an **auto** which is not owned, leased, hired, rented or borrowed by the **covered party** named in the declarations which is used with the permission of the owner solely in connection with the business of the **covered party** named in the declarations, but does not include temporary substitute **autos**.
- M. **Owned auto** means **auto** legally registered to the **covered party** or **autos** as to which the **covered party** acquires ownership after the inception of the memorandum of coverage.
- N. **Pollutants** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- O. **Property damage** means damage to or **loss** of use of tangible property.
- P. **Suit** means a civil proceeding in which damages, because of **bodily injury** or **property damage** to which this coverage applies are alleged. **Suit** includes an arbitration proceeding alleging such damages to which the **covered party** must submit by court order or by the **authority's** consent or request.
- Q. **Trailer** includes semi-trailers.

V. Conditions Applicable to All Coverage Parts

- A. Territory: This memorandum of coverage covers **accidents** or **losses** which occur during the policy period in the United States of America or Canada.
- B. Notice and Cooperation: In the event of an accident, claim or **loss**, the **covered party** will give prompt notice to the **authority** and do the following:
1. Advise how, when and where the **loss** or accident occurred;
 2. Provide the names and addresses of all involved, including witness;
 3. Cooperate with the **authority** or its authorized representative in the investigation, settlement or defense of claim or **suit**;
 4. Promptly notify the police or appropriate civil authority of theft or vandalism of an **auto** or its equipment;
 5. Assume no obligation, make no payment, incur no expense and make no commitment without prior consent of the **authority**;
 6. Take all reasonable steps to protect the covered **auto** from further damage; and
 7. Permit the **authority** to inspect the damage or **loss** to the covered **auto** prior to repair or disposition;
 8. Cooperate with the **authority** or its designee in the investigation or defense of any claim or **suit**;
 9. Immediately send to the **authority** any notices or legal papers received in connection with the accident or **loss**;

10. Provide information on where and how the accident or **loss** happened and assist in obtaining the names and addresses of injured persons and witnesses.
- C. Voluntary Payments: No **covered party** shall, except at their own cost, voluntarily make any payment, assume any obligation or incur any expense without the consent of the **authority**.
- D. Other Insurance: When this coverage form and any other coverage form or policy covers an accident, the **authority's** coverage shall be excess over any other such insurance or coverage, whether primary, excess, contingent, or on any other basis; provided such other insurance or coverage is not written specifically to apply as excess over the coverage provided by this memorandum.

When this coverage is excess, the **authority** shall have no duty to defend the **covered party** against any **claim** or **suit** if any other coverage or insurer has a duty to defend the **covered party** against that **claim** or **suit**.

When the coverage provided by this memorandum is excess, the **authority** shall pay only its share of the loss, if any, that exceeds the sum of the total amount that all such other insurance or coverage forms would pay for the loss in the absence of the coverage provided by this memorandum.

- E. Right to recover: If the **authority** makes any payment on behalf of the **covered party** and is entitled to recover what was paid from other responsible parties, the **covered party** must transfer to the **authority** all such rights of recovery, assist the authority in perfecting such rights and do nothing to jeopardize those rights.
- F. Arbitration:
1. In the event that a question or dispute arises between the **authority** and a **covered party** concerning the applicability of the coverage provided by this memorandum to a **loss** by or **claim** or **suit** against against the **covered party**, the **covered party** or the **authority** may make a written request for arbitration. When such a request is made, arbitration, as provided herein, shall be a condition precedent to the filing of any civil action concerning or in any way arising out of such question or dispute;
 2. Upon written request of any party, each party shall choose an arbitrator and the two chosen shall select a third arbitrator (judge). If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of the written request for arbitration, the requesting party may appoint a second arbitrator. All arbitrators appointed by any party shall be disinterested persons experienced and knowledgeable in the field of insurance or Joint Powers Authorities and in all cases shall be disinterested in the outcome of the arbitration. If the two arbitrators fail to agree on the selection of a third arbitrator (judge) within thirty (30) days of their appointment, the covered party shall petition JAMS, Sacramento, California to appoint the third arbitrator (judge). If the JAMS, Sacramento office fails to appoint the third arbitrator (judge) within thirty (30) days after it has been requested to do so, either party may request the Superior Court of the State of California, County of Sacramento, to appoint the third arbitrator pursuant to California Code of Civil Procedure § 1281.6. The third arbitrator (judge) shall be a retired justice or judge of the California Supreme Court, the California Court of Appeal, the California Superior Court, the United States District Court, Northern, Eastern, Central or Southern Districts of the California or of the Ninth Circuit Court of Appeal, who is experienced and knowledgeable in the field of insurance or Joint Power's Authorities. Each party will bear the expenses it incurs, and the covered party and

the authority will bear the expense of the third arbitrator equally.

Local rules of law as to procedure and evidence will apply. A decision agreed to by two (2) of the arbitrators will constitute a determination of the matter in question or dispute.

3. No action shall lie against the **authority** unless, as a condition precedent thereto, the **covered party** shall have fully complied with all the terms of this memorandum; nor until the amount of the **covered party's** obligation to pay the claim of a third party shall have been finally determined either by judgment against the **covered party**, after actual trial, or by written agreement of the **covered party**, the claimant, and the **authority**. Said judgment shall not be deemed final, if an appeal is filed therefrom, until the suit shall have been finally determined on appeal. Any person or organization, or the legal representative thereof, who has secured such judgment or written agreement, shall thereafter be entitled to recover under this memorandum to the extent of the coverage afforded by this memorandum.

Nothing contained in this memorandum shall give any person or organization any right to bring an action against the **authority** or to join the **authority** as a co-defendant in any action against the **covered party** to determine such **covered party's** liability.

- G. Legal action against the **authority**: No legal action may be brought against the **authority** until it agrees in writing that there is an obligation to pay or until the amount of that obligation has been finally determined by a judgment after trial. No person or organization has any right under this memorandum of coverage to bring the **authority** into any action to determine the liability of the **covered party**.
- H. Statutory provision: Terms of this memorandum of coverage which are in conflict with the statutes of the State of California are amended to conform to such statutes.
- I. Bankruptcy: Bankruptcy or insolvency of the **covered party** will not relieve the **authority** of any obligations under this coverage form
- J. Right to modify: The authority reserves the right to revise, update and/or modify the terms and conditions of this memorandum from time to time and throughout the term of the **coverage period** as may seem necessary and reasonable to the authority due to an amendment to or repeal of any of the provisions of law referred to herein or for any other reason. When it shall do so, the authority shall provide appropriate notification to members through appropriate bulletins and/or memoranda outlining the changes.

VI. Supplemental Coverages

The **authority** will pay for the personal property of the **covered party** up to a maximum amount of \$1,000 valued at actual cash value. In this instance personal property refers to property that is owned, borrowed or leased by the **covered party**. This coverage part does not apply to the personal property of any employee of the **covered party**.



SISC

Self-Insured Schools of California
Schools Helping Schools

Memorandum of Coverage

No. SLP 7123 24

School Liability Program

General Liability

Declarations

Throughout this memorandum, words and phrases that appear in bold print have special meaning and are defined in the "definitions" section(s).

A. **Covered party:**

B. Covered period: from 07-01-2023 through 07-01-2024

C. **Limit of liability per occurrence:** \$2,000,000 for claims under all coverages A-G subject to certain sub-limits.

\$25,000,000 per **occurrence** or Wrongful Act or Employee Benefits Wrongful Acts, regardless of the number of members or **Covered Parties** involved in the Occurrence, Wrongful Act, or Employee Benefit Wrongful Act, and further subject to the aggregate limits set forth in these Declarations;

a. For claims resulting from **Sexual Misconduct** (Coverage H): \$2,000,000, subject to the following limitations:

1) For liability above \$2,000,000 for all claims as to all SISC **Members** and **Member's Agencies** collectively for **Sexual Misconduct**, the following group aggregate limits apply:

\$15,000,000 for **claims** or **suits** arising out of sexual abuse, molestation, harassment and/or sexual assault, regardless of the number of **Members, Member's Agencies, or Covered Parties** involved, claims made, **suits** brought, persons or organizations making claims or bringing **suits**, victims, incidents or locations, as set forth in Coverage H "**Sexual Misconduct**";

D. Deductible per **occurrence:**

In consideration of the payment of premium and subject to the following terms and conditions, Self-Insured Schools of California, hereinafter referred to as the **authority**, and the party named in the declarations, hereinafter referred to as the **member**.

**SISC**Self-Insured Schools of California
Schools Helping Schools

Memorandum of Coverage

No. SLP 7123 24

School Liability Program

This **memorandum** refers to Self-Insured Schools of California (SISC) as the **Authority** and the party named in Item A of the declarations as the **Member**. The **authority** is a public joint powers authority formed pursuant to California Government Code sections 990.4, 990.8, and 6500 et seq. In consideration of the contribution paid by the **member** and the liability coverage provided by the **authority** below, they agree as follows:

Section I – Coverages

Subject to the **member's** deductible, the **authority** agrees to pay on behalf of a **covered party** all sums that a **covered party** shall become obligated to pay as **damages**, in excess of the coverage available to any **covered party** under any other insurance policy or risk transfer agreement, by reason of liability imposed by law, or the liability of others assumed or retained under a **covered contract**, because of:

- Coverage A:** Bodily Injury
- Coverage B:** Property Damage
- Coverage C:** Errors and Omissions
- Coverage D:** Personal Injury
- Coverage E:** Employment Practices
- Coverage F:** Employee Benefit Wrongful Acts
- Coverage G:** Liability that the member is required to insure against under Education Code sections 35208 and 72507 or is authorized to insure against under Government Code sections 989 and 990.
- Coverage H:** Sexual Misconduct

to which this **memorandum** applies, caused by an **occurrence**.

Section II – Defense and Settlement

With respect to coverage afforded by this **memorandum**, the **authority** shall, within the **limit of liability**:

- A. Provide for all investigation and adjusting services.
- B. Select defense counsel, defend in the name of and on behalf of the **covered party**, and pay all **defense costs** for any **suit** against a **covered party** even if such **suit** is groundless, false or fraudulent. The **authority** will appoint separate or independent counsel for a **covered party** only if required by Condition Q. The **authority** shall have no duty to defend once the limit of liability specified in Item C of the Declarations has been exhausted by payment of judgments and/or **defense costs**.
- C. Have the right, but not the duty, to settle any **claim** or **suit** as it deems necessary or expedient. Notwithstanding any of the foregoing, the **authority** shall have no duty to defend any **claim** or other proceeding which is not a **suit**.

Section III -- The Authority's Limit of Liability

- A. The **authority's limit of liability** to a **covered party** as the result of any one **occurrence** is the amount specified in Item C of the Declarations.
- B. A single **limit of liability** applies collectively to all **covered parties** for any one **occurrence**. The single **limit of liability** will apply collectively to all of the **authority's members** or parties claiming coverage from the **authority** for that **occurrence** under any Memorandum(s) between the **authority** and any of its **members**.
- C. For the purpose of determining the **limit of liability**, all **damages** during the **coverage period** arising out of continuous or repeated exposure to substantially the same general conditions or course of conduct shall be considered as arising out of one **occurrence**.
- D. There is no limit to the number of **occurrences** covered under this **memorandum**.

Section IV -- Coverage Period and Territory

The coverages stated in Section I of this **memorandum** apply to **bodily injury, property damage, errors and omissions, personal injury, employment practices**, acts or omissions falling within **Coverage F**, and **sexual misconduct** falling within **Coverage H**, occurring during the coverage period anywhere in the world caused by an **occurrence**. However, the **authority** will defend **suits** only in the United States.

Section V -- Covered Parties

The parties covered by this **memorandum** are:

- A. The **member** and the **member's agencies**;
- B. The **member's Employees**;
- C. A charter school that is chartered by a **member**;
- D. Any person or entity that the **member** is obligated by a written contract that is a **covered contract** to provide with coverage, but only with respect to **bodily injury** or **property damage** arising out of operations performed by or on behalf of the member or at its facilities. The coverage shall be no broader and for no higher limit of liability than required by such **covered contract**.

Except pursuant to Section V.D., a Joint Powers Authority is not a **covered party**.

Section VI -- Exclusions

This **memorandum** does not apply to actual, alleged or threatened liability arising out of or in any way connected to:

- A. Injuries or **damages** that do not result from an **occurrence**.
- B. The existence, formation, negotiation, performance, failure to perform, or breach, of a contractual obligation.

- C. Assumption of liability in a contract or agreement, unless under a **covered contract** and then only for **bodily injury** or **property damage** for which the **member, member's agency, or member's charter school** may be liable.
- D. Any workers compensation or disability benefits law, or any similar law, plan or agreement.
- E. **Bodily injury** of any **employee** arising out of and in the course of his employment by any **covered party**; or to the spouse, child, parent, brother or sister of the **employee** as a consequence of the above.

This Exclusion shall not apply to liability assumed by a **member** under a **covered contract**.

- F. Violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (FLSA), Labor Code and Wage Orders promulgated by the California Industrial Welfare Commission and any other federal, state or local statute or law similar thereto (including disputes over compensation, wages, hours, salary and employee benefits under the Education Code other than for an **employee benefit wrongful act** or **employment practices**), or rules or regulations promulgated under any such statutes, laws or orders.
- G. The ownership, maintenance, operation, use, loading, or unloading of any **automobile**,
 - 1. Owned or operated by, or rented or loaned to a **covered party**, or
 - 2. Operated by any **employee** in the course of their employment with a **covered party**.

This exclusion includes damage to or destruction of any **automobile** owned by, rented to, leased by, or in the care, custody or control of a **covered party**, and damage to or destruction of **mobile equipment** transported by an **automobile** owned by, rented to, leased to, or in the care, custody or control of any **covered party**.

- H. Liability arising out of the operation, ownership, maintenance, use, loading, unloading, or towing of any **aircraft** that is rented to, owned by, or in the care, custody or control of a **covered party**.
- I. The ownership, maintenance, operation, use, loading or unloading of:
 - 1. Any **watercraft** owned or operated by or rented or loaned to a **covered party**, or
 - 2. Any other **watercraft** operated by any **employee** in the course of his employment with a **covered party**, but this exclusion does not apply to manually powered boats or sailboats under 25 feet in length, to powerboats with less than 25 horsepower or to operations performed by independent contractors.

This exclusion shall not apply to liability arising out of the use of non-owned watercraft operated by third parties in connection with marine excursions, field trips or substantially similar activities.

- J. The use of trampolines or springboards which are more than four (4) feet in diameter and whose surface is more than two (2) feet above floor level and other similar type rebounding or tumbling devices.
- K. Arising out of the use or display of **fireworks** by any **covered party**.
- L. The presence of, or exposure to, asbestos in any form; or to harmful substances emanating from asbestos. This includes the ingestion, inhalation, absorption, contact with, existence or presence of, or exposure to asbestos. Such injury from or exposure to asbestos also includes, but is not limited to:

1. The existence, installation, storage, handling or transportation of asbestos;
2. The removal, abatement or containment of asbestos from any structures, materials, goods, products, or manufacturing process;
3. The dispersal of asbestos;
4. Any structures, manufacturing process, or products containing asbestos;
5. Any obligation to share damages with or repay someone else who must pay damages because of such injury or damages; or
6. Any supervision, instructions, recommendations, warnings or advice given or which should have been given in connection with the above.

This exclusion applies to any loss, cost or expense, including, but not limited to payment for investigation or defense, fines, penalties and other costs or expenses, arising out of any:

1. **Claim, suit, demand, judgment, obligation, order, request, settlement, or statutory or regulatory requirement** that any **covered party** or any other person or entity test for, monitor, clean up, remove, contain, mitigate, treat, neutralize, remediate, or dispose of, or in any way respond to, or assess the actual or alleged effects of asbestos; or
2. **Claim, suit, demand, judgment, obligation, request or settlement** due to any actual, alleged or threatened injury or damage from asbestos or testing for, monitoring, cleaning up, removing, containing, mitigating, treating, neutralizing, remediating, or disposing of, or in any way responding to or assessing the actual or alleged effects of, asbestos by any **covered party** or by any other person or entity; or
3. **Claim, suit, demand, judgment, obligation, or request to investigate** which would not have occurred in whole or in part, but for the actual or alleged presence of or exposure to asbestos.

This Exclusion L applies regardless of who manufactured, produced, installed, used, owned, sold, distributed, handled, stored or controlled the asbestos.

M. Lead

1. **Bodily injury or property damage arising** out of, resulting from, or in any way caused by or related to any actual, alleged or threatened ingestion, inhalation, absorption, or exposure to lead, in any form from any source; or
2. Any loss, cost, expense, liability or other type of obligation arising out of or resulting from, or in any way related to, any:
 - a. **claim, suit, request, demand, directive, or order** by or on behalf of any person, entity, or governmental authority that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of lead in any form from any source; or
 - b. to any **claim or suit** by or on behalf of any person, entity, or governmental authority for damages or any other relief or remedy because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to or assessing the effects of lead in any form.

N. Organic Pathogens

1. Any liability arising out of any actual, alleged or threatened infectious, pathogenic, toxic or other harmful properties of any **organic pathogen**.
2. Any loss, cost or expense arising out of any:
 - a. request, demand, order or statutory or regulatory requirement that any **covered party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of any **organic pathogen**, or
 - b. **claim or suit** by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of any **organic pathogen**.

This exclusion does not apply to **bodily injury** caused by any **organic pathogen** in or on any food or beverages sold, distributed, served or handled by any insured.

O. Injury, sickness, disease, death, or destruction:

1. With respect to which a **covered party** under this **memorandum** is also covered under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, or Nuclear Insurance Association of Canada, or would be covered under any such policy, but for its termination upon exhaustion of its limit of liability; or
2. Resulting from the **hazardous properties of nuclear material** and with respect to which:
 - a. Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - b. The **covered party** is, or had such policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any organization; or
 - c. Resulting from the **hazardous properties of nuclear material**; if
 - (i) The nuclear material is at any nuclear facility owned by, or operated by or on behalf of a **covered party**, or has been discharged or dispersed therefrom;
 - (ii) Fuel or **waste** is or was at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of a **covered party**; or
 - (iii) The **injury**, sickness, disease, death, or destruction arises out of the furnishing by a **covered party** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operations, or use of any **nuclear facility**.

P. The discharge, dispersal, seepage, migration or release, or escape of smoke, vapors, soot, fumes, acid, alkalis, toxic chemicals, liquids or gases, waste material or other irritants, contaminants, or pollutants at any time, including any:

1. Request, demand or order or statutory or regulatory requirement that any **covered party** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or

2. **Claim or suit** by, or on behalf of, a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

This subsection shall not apply to such loss, cost, or expense arising from any spill, release, or other hazardous condition at or from the premises, equipment, or location(s) which a **covered party** does not own, rent, control or occupy.

This exclusion P. shall not apply to the following:

1. Any liability arising out of **bodily injury or property damage** due to an **occurrence** arising out of heat, smoke, or fumes from a hostile fire;
2. Any liability arising out of explosion, lightning, windstorm, vandalism or malicious mischief, collapse, riot and civil commotion, flood, earthquake or collision, upset, or overturn of an automobile or equipment;
3. Any liability arising out of use of mace, oleoresin capsicum (o.c.), pepper gas or tear gas; or
4. Weed abatement or spraying;
5. Any liability arising out of the **products-completed operations hazard**.

All liability arising from paragraphs 1., 2., 3., 4., or 5., above arising out of the same, interrelated, associated, repeated or continual discharge, dispersal, release or escape of pollutants shall be deemed one **occurrence**, wrongful act, **employment practice** liability wrongful act or **employee benefit wrongful act**.

- Q. Damage to property owned by, or leased or rented to, any **covered party**.
- R. **Land subsidence**.
- S. A dishonest, fraudulent, criminal or malicious act.
- T. A **covered party** gaining any personal profit or advantage to which that **covered party** is not legally entitled.
- U. Failure to investigate or ensure the adequacy of payment bonds, performance bonds, or any other sureties given by a general contractor in connection with a construction contract, or given by any other person or entity in connection with any other contract that requires the furnishing of payment bonds, performance bonds, or any other sureties.
- V. The refund of taxes, fees, or assessments.
- W. **Personal injury** arising out of oral or written publication of material in any manner, if done by or at the direction of the **covered party** with knowledge of its falsity.
- X. The use, misuse or loss of funds, grants, or appropriations, or any **claim** for the return of such funds, grants, or appropriations for any reason.
- Y. The purchase, sale, diminution of value or representation about any security, debt, bank deposit or financial interest or instrument.

- Z. An **employee benefit program**, except for an **employee benefit wrongful act**.
- AA. Insufficient funds to meet obligations under any plan included in an **employee benefit program**, return on investments, misleading information regarding past performance of any investment vehicle, or advice given regarding whether to participate in an **employee benefit program**.
- BB. Notwithstanding California Government Code section 990, subdivision (c), any willful or intentional act or omission for which insurance coverage would be precluded under Insurance Code Section 533.
- CC. 1. Corporal punishment; or
2. Physical or mental abuse.
3. **Sexual misconduct** within the scope and meaning of Coverage H (Sexual Misconduct).

This Exclusion shall apply only to the **covered party** or other person, who commits or threatens corporal punishment or physical or mental abuse.

This Exclusion shall not apply to Coverage E: **Employment Practices**.

- DD. **Bodily injury or property damage** that any **covered party** knew or should have known existed before the commencement of the **coverage period**, or that were manifested before the **coverage period**. **Bodily injury or property damage** will be deemed to have been manifested as of the earliest date by which any damage or injury occurred, irrespective of whether any **covered party** was aware of the existence of any such damage or injury, and irrespective of whether such damage or injury may have been continuous or progressive or may have been due to repeated exposure to substantially the same harmful conditions or may have become progressively worse during the **coverage period**.
- EE. **Personal injury** arising out of the oral or written publication, in any manner, of material first published before the **coverage period**. This exclusion shall also apply to all **personal injury** arising out of any subsequent publication or republication of the same or similar material, in any manner, during the **coverage period**
- FF. The rendering of or failure to render any professional service other than by an **employee** who is one of the following, but only while rendering professional services of the type associated with that **employee's** description: a teacher or other educational professional; a nurse; a medical assistant; a speech therapist; a speech pathologist; a nutritionist; a psychologist; an audiologist; a physical therapist; an athletic trainer; an authorized law enforcement officer; a person qualified to administer epinephrine auto-injectors pursuant to California Education Code section 49414(b)(5); a person qualified to administer naloxone hydrochloride or another opioid antagonist pursuant to California Education Code section 49414.3(b)(5); a person authorized to provide emergency care to pupils with diabetes suffering from severe hypoglycemia pursuant to California Education Code section 49414.5; a person qualified to administer emergency medical assistance to pupils with epilepsy suffering from seizures in a manner consistent with that set forth in California Education Code section 49414(b)(5), governing the administration of emergency Epinephrine and the related provisions of Education Code section 49423; a person utilizing an automated external defibrillator pursuant to Education Code section 49417 in a manner consistent with that set forth in California Education Code section 49414(b)(5) and the related provisions of California Education Code section 49423; a person designated to assist in the administration of medicine to a pupil pursuant to California Education Code section 49423(a) and (b); or an attorney; however,

this memorandum does not apply to **damages** sustained by a **member**, **member's agency**, or **member's** charter school arising out of the rendering or failure to render any professional service by an **employee** who is an attorney.

- GG. **Claims, suits, damages**, losses or any liability arising out of, caused by, resulting from, contributed to, aggravated by or concurrently caused in any way by any loss or liability alleged or imposed in connection with or for **inverse condemnation**, including any **claim** or **suit** alleging or any judgment or award imposing such liability even if the allegations of the **claim** or **suit** also assert, or the judgment or award also imposes, liability for the same **damages** or loss on other legal claims or theories, however stated, including but not limited to claims for trespass, nuisance, negligence or maintenance of a dangerous condition of public property.

This exclusion does not apply to liability for **inverse condemnation** arising directly out of physical injury to or destruction of tangible property which is neither expected nor intended from the standpoint of the **covered party**, except that (1) damage or loss due to a **covered party's** knowing or deliberate inappropriate failure to routinely maintain, repair or replace any structure or improvement including, but not limited to, water lines, gas lines, electrical lines, sewer lines or other provisions for transmission or delivery of services will be deemed expected or intended within the meaning of this exclusion, and (2) no coverage is afforded for any nonphysical consequential **damages**, or for costs, expert fees, appraisal fees, engineering fees or attorneys' fees claimed by or awarded to a plaintiff in an **inverse condemnation suit**.

- HH. Statutory multiples of damages, civil fines, penalties or any other liability over and above actual damages, by whatever name called.

- II. Loss, destruction, damage or injury to **electronic data**.

JJ. **Perfluoroalkyl or polyfluoroalkyl substances (PFAS) Exclusion**

1. Ultimate Net Loss arising out of, resulting from, or in any way caused by or related to any actual, alleged or threatened discharge, disposal, escape, seepage, migration, release, or existence, ingestion, inhalation, absorption, exposure to, contact with, consumption or absorption of "perfluoroalkyl or polyfluoroalkyl substances (PFAS)" or materials containing "perfluoroalkyl or polyfluoroalkyl substances (PFAS)".
2. Any loss, cost, expense, liability or other type of obligation arising out of or resulting from, or in any way related to, any:
 - a. **claim, suit**, request, demand, directive, statutory or regulatory requirement, or order by or on behalf of any person, entity, or governmental authority that any **covered party** or others test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to or assess the effects of "perfluoroalkyl or polyfluoroalkyl substances (PFAS)" or materials containing "perfluoroalkyl or polyfluoroalkyl substances (PFAS)"; or
 - b. **claim** or **suit** by or on behalf of any person, entity, or governmental authority for damages or any other relief or remedy because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, or neutralizing, or in any way responding to or assessing the effects of "perfluoroalkyl or polyfluoroalkyl substances (PFAS)" or materials containing "perfluoroalkyl or polyfluoroalkyl substances (PFAS)".

KK. **Cyber Exclusion**

1. Ultimate Net Loss arising out of:

- a. any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b. the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate **electronic data**.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by a **covered party** or others arising out of that which is described in paragraph a. or b. above.

This exclusion is not applicable within the SISC self-insured retention as described under Section III – The Authority's Limit of Liability.

- LL. Arising out of the failure of a **member**, **member's agency**, or **member's** charter school to procure insurance or other risk financing for or on behalf of **any person or entity**.

Section VII -- Definitions

Boldface words and phrases have the special meanings given in this Section.

- A. **Administration**, with respect to an **employee benefit program**, means providing information to **employees** and beneficiaries with respect to program eligibility and scope; handling records in connection with the program (but not payroll records); and effecting, continuing or terminating an **employee's** participation in any benefit included in the program.
- B. **Agency** means any council, commission, agency, district, authority, board or similar public entity under the **member's** direction or control or on which the **member's** governing board sits as the governing body.

Agency includes student body organizations or auxiliary organizations formed and governed pursuant to Education Code sections 48930, 72670, or 76060.

Agency does not include an alumni, parent-teacher, teacher or similar organization.

- C. **Authority** means Self-Insured Schools of California (SISC).
- D. **Automobile** means a land motor vehicle including, but not limited to, two-wheel, three-wheel and four-wheel vehicles, including trailers or semi-trailers. **Automobile** also means any motor vehicle designed, built for or used in any prearranged racing, speed, demolition, rally, or stunting activity.

This definition includes any type of land motor vehicle even if not subject to motor vehicle registration.

- E. **Aircraft** means a vehicle designed for the transport of persons or property principally in the air, including lighter-than-air, heavier-than-air, gliders, and rotor craft.
- F. **Back pay** means wages, overtime pay, salary or benefits allegedly earned and due to an **employee** or former **employee** but not paid.

- G. **Bodily injury** means bodily harm, sickness, disability or disease. **Bodily injury** shall also mean emotional distress, mental injury, mental anguish, humiliation, shock or death if resulting directly from bodily harm, sickness, disability or disease. **Bodily injury** shall include care and loss of services resulting at any time from bodily harm of any person or persons.
- H. **Claim** means a claim presented pursuant to Government Code section 910 et seq., a demand or a **suit** against a **covered party** to recover **damages** to which this **memorandum** applies, caused by a covered **occurrence**.

Claim shall also mean any demand or legal proceeding by an **employee** against a **member, member's agency, or member's charter school** under Government Code section 996.4 for recovery of defense costs, including attorney fees, arising out of a **suit** for **damages** to which this **memorandum** applies, caused by a covered **occurrence**.

This Definition does not include criminal actions, administrative proceedings, or any court proceeding to affirm, modify or overrule an award of **damages** in an administrative proceeding.

I. **Covered contract** means:

1. A lease of premises;
2. A sidetrack agreement;
3. An easement or license agreement in connection with vehicle or pedestrian railroad crossings;
4. An indemnification of a municipality as required by ordinance;
5. An elevator maintenance agreement;
6. That part of any contract or agreement pertaining to school operations in which the **member, member's agency, or member's charter school** assumes the tort liability of another to pay damages because of **bodily injury, property damage, or personal injury** to a third person or organization, if the contract or agreement is made prior to the incidence of any such **bodily injury, property damage, or personal injury**. Tort liability means the liability that would be imposed by law in the absence of any contract or agreement. However, a **covered contract** shall not include that part of any contract or agreement pursuant to which a **member, member's agency, or member's charter school** agrees to assume the tort liability of a non-member contracting party for **personal injury** arising out of or in connection with the **employment practices** of any such non-member contracting party, including any **claim** for harassment, discrimination, wrongful termination or related misconduct against any such non-member contracting party by that non-member's own employees or agents.

A **covered contract** does not include that part of a contract or agreement:

1. That indemnifies an architect, designer, engineer or surveyor for **bodily injury** or **property damage** arising out of:
 - a. Preparing or failing to prepare or approve maps, drawings, plans, opinions, reports, surveys, change orders, or design specifications; or
 - b. Giving directions or instructions or failing to give them, if that is the primary cause of injury or damage; or
2. That indemnifies any person or organization for damage by fire to premises rented or loaned to the **covered party**.

- J. **Coverage period** means the period stated in Item B of the Declarations unless shortened by earlier termination as provided in Section X.B.
- K. **Covered party** means any of those persons or entities designated as **covered parties** in Section V. A-D.
- L. **Damages** means money damages awarded to compensate for injury or loss.

Damages include court costs, interest, attorney fees and court awarded expenses not based on contract, but only to the extent awarded on a covered **claim**.

Damages does not include punitive damages; multiples of damages; injunctive relief; equitable relief; declaratory relief; restitutionary relief; disgorgement; job reinstatement; **back pay**; benefits due under any **employee benefit program**; costs or expenses incurred in accommodating any disabled person pursuant to the Americans with Disabilities Act of 1990 (ADA) or Government Code section 12940, et seq. (FEHA) or any similar state or federal law; or any liability for costs incurred in connection with any educational, sensitivity or other program, policy or seminar; amounts paid pursuant to any judgment, decree or agreement requiring actions to correct past discriminatory or other unlawful conduct or to establish practices or procedures designed to eliminate or prevent future discriminatory or other unlawful conduct; including as to all of the above, the cost of compliance therewith.

- M. **Defense costs** means attorney and expert fees, costs and expenses incurred by the **authority** for the adjustment, investigation, defense or appeal of a **claim** or **suit**.

Defense costs include the premium for an appeal or similar bond. However, the **authority** shall not have any obligation to apply for or furnish any such bond or to provide any undertaking, guarantee or security for such bond.

- N. **Electronic data** means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, DVD-ROMS, tapes, drives, cells, data processing devices, servers, cloud-computing systems, microcontrollers, or any other media which are used with electronically controlled equipment.

- O. **Employee** means a past or present elected or appointed official, **employee** or volunteer of the **member**, **member's agency**, or **member's** charter school, but only while acting within the scope of his or her employment with, or duties for, the **member**, **member's agency**, or **member's** charter school.

This Definition includes students (1) while acting solely within the scope of their duties while enrolled in curriculum to provide services to third parties; or (2) who serve in a supervised internship as part of their educational program, but only while completing course work required by the **member** or **member's agency**.

A referee or umpire compensated with student funds, or an authorized law enforcement officer who is employed by any law enforcement agency other than the **member's** own law enforcement agency is not an **employee**

- P. **Employee benefit program** includes any employee benefit plan involving, but not limited to, the following: Group life insurance, group accident or health insurance, profit sharing plans, pension plans and stock subscription plans provided that no one other than an **employee** may subscribe to such insurance or plans, unemployment insurance, social security benefits, workers' compensation and disability benefits.

- Q. **Employee benefit wrongful act** means any negligent act, error or omission in the administration of the **employee benefit program**.
- R. **Employment practices** shall mean any of the following acts or omissions of a **covered party** against an **employee** or an applicant for employment:
1. Wrongful reassignment, demotion, failure to promote, dismissal, discharge or termination;
 2. Harassment;
 3. Discrimination (including but not limited to discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability);
 4. Retaliation or coercion;
 5. Employment related misrepresentations to an employee or applicant for employment with the **member, member's agency, or member's charter school**;
 6. Employment related libel, slander, humiliation, defamation or invasion of privacy;
 7. Failure to grant tenure.
- S. **Errors and omissions** means any misstatement or misleading statement, act, omission or neglect or breach of duty by a **member, member's agency, or member's charter school** or an **employee** thereof, other than **employment practices**, in the discharge of duties for the **member, member's agency, or member's charter school** that does not result in **bodily injury or property damage**.
- T. **Fireworks** means devices containing chemicals that burn or explode with spectacular effect, commonly used at celebrations; a display of fireworks.
- U. **Fungus(i)** includes, and is not limited to, any of the plants or organisms belonging to the major group **fungi**, lacking chlorophyll, and including **molds, rusts, mildews, smuts and mushrooms**.
- V. **Hostile fire** means a fire that becomes uncontrollable or breaks out from where it was intended to be.
- W. **Inverse condemnation** means a **claim** by any person or entity under the California or United States Constitutions alleging that the **member, member's agency, or member's charter school** has taken or damaged real, personal, tangible or intangible property for public use through any means without just compensation
- X. **Land subsidence** means the movement of land or earth, including, but not limited to, sinking or settling of land, earth movement, earth expansion and/or contraction, landslide, slipping, falling away, caving in, eroding, earth sinking, and earth rising or shifting or tilting.
- Y. **Limit of liability** means the **authority's** maximum liability per **occurrence** as stated in the amount specified in Item C of the Declarations. **Defense costs** shall count toward the exhaustion of the **limit of liability**.
- Z. **Member** means the party named in the declarations issued in connection with this **Memorandum**.
- AA. **Member's product**
1. Means any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by the **member, member's agency, or member's charter school**, or by others on their behalf;

2. Containers, materials, parts or other equipment furnished in connection with such goods or products.

BB. Member's work

1. Means:
 - a. Work or operations performed by or on behalf of the **member, member's agency, or member's charter school**; and
 - b. Materials, parts or equipment furnished in connection with such work or operations,
2. And includes:
 - a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of the **member's work**, and
 - b. The providing of or failure to provide warnings or instructions.

CC. Memorandum means this Self-Insured Schools of California (SISC) **Memorandum of Coverage** and any endorsements attached to it.

DD. Mobile Equipment means:

1. Specialized equipment such as bulldozers, power shovels, rollers, graders, scrapers, cranes, farm machinery, street sweepers, forklifts, pumps, generator air compressors, drills, or other similar equipment designed for use principally off public roads.
2. Vehicles designed for use principally off public roads.
3. Vehicles not required to be licensed.
4. Any type of two or three-wheel motorized vehicle.

EE. Mold(s) includes, and is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and **fungi** that produce **mold(s)**.

FF. Occurrence means:

With respect to Coverages A (**Bodily Injury**), B (**Property Damage**), C (**Errors And Omissions**), F (**Employee Benefit Wrongful Acts**) and G (**Liabilities relating to Education Code sections 35208 and Government Code sections 989 and 990**): An accident or event, including continuous or repeated exposure to conditions which results in injury or damage during the **coverage period** to which this **memorandum** applies; provided such injury or damage is neither expected nor intended from the standpoint of the **covered party**.

With respect to Coverages D (**Personal Injury**), E (**Employment Practices**), and H (**Sexual Misconduct**): An offense described in the Definition of **personal injury** or **employment practices** that, during the **coverage period**, results in injury or damage to which this **memorandum** applies; provided such injury or damage is neither expected nor intended from the standpoint of the **covered party**.

Assaults, batteries, or use of excessive force are not an **occurrence** unless committed by or at the direction of the **covered party** for the purpose of protection of persons or property.

GG. Organic pathogen means any:

1. Bacteria; mildew, mold or other fungi; other microorganisms; or mycotoxins, spores or other by-products of any of the foregoing;
2. Viruses or other pathogens (whether or not a microorganism); or
3. Colony or any group of the foregoing.

HH. "Perfluoroalkyl or polyfluoroalkyl substances (PFAS)" means any of the following:

1. Perfluorooctanoic acid (PFOA), a chemical compound described as:
 - a. $C_8H_{15}O_2$;
 - b. $F-CF_2-CF_2-CF_2-CF_2-CF_2-CF_2-CF_2-C(=O(O))-H$; or
 - c. 2,2,3,3,4,4,5,5,6,6,7,7,8,8,8-pentadecafluorooctanoic acid-PFOA;
2. Perfluorooctane sulfonic acid (PFOS), a chemical compound described as
 - a. $C_8H_{17}O_3S$;
 - b. $F-CF_2-CF_2-CF_2-CF_2-CF_2-CF_2-CF_2-CF_2-S(=O(=O)(O))-H$; or
 - c. 1,1,2,2,3,3,4,4,5,5,6,6,7,7,8,8,8-heptadecafluorooctanesulfonic acid-PFOS;
3. Any PFAS replacement related materials, including but not limited to Gen-X, a chemical compound described as:
 - a. $C_6H_4F_{11}NO_3$;
 - b. Ammonium perfluoro (2-methyl-3-oxahexanoate);
 - c. C3 Dimer Acid;
 - d. Hexafluoropropylene oxide dimer acid; or
 - e. HFPO Dimer Acid;
4. PFOA or PFOS salts, PFAS-related compounds, or any substances which degrade to PFOA, or PFOS; or
5. Any PFAS, PFOA, or PFOS identified at any time as a Persistent Organic Pollutant (POP) in Annex A (Elimination), Annex B (Restriction), or Annex C (Unintentional production) in the Stockholm Convention on Persistent Organic Pollutants as ratified by the United States of America and administered by the United States Environmental Protection Agency (USEPA)

by whatever name manufactured, formulated, sold or distributed.

II. **Personal injury** means:

1. False arrest, detention, or imprisonment, or malicious prosecution;
2. Oral or written publication or utterance of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services, or violates a person's right of privacy;
3. Misappropriation of advertising ideas or style of doing business, or infringement of copyright, title or slogan;
4. Wrongful entry, eviction, or other invasion of the right of private occupancy;
5. Violation of civil rights, harassment or discrimination (including but not limited to harassment or discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability), other than **employment practices**, not intentionally committed by or at the direction of the **covered party**.

JJ. **Pollutants** mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and **waste**. **Waste** includes materials to be recycled, reconditioned, or reclaimed. The term **pollutants** as used herein is not defined to mean potable water or agricultural water or water furnished to commercial users. **Pollutants** shall not include smoke, soot or fumes from a **hostile fire**.

KK. **Property damage** means:

1. Physical injury to or destruction of tangible property which occurs during the term of coverage, including the loss of use thereof at any time resulting therefrom.
2. Loss of use of tangible property which has not been physically injured or destroyed, provided such loss of use is caused by an **occurrence** during the term of coverage.

LL. **Products-Completed Operations Hazard** means all **bodily injury, property damage, or personal injury occurring** away from premises the **member, member's agency, or member's** charter school owns or rents and arising out of the **member's product or member's work** except:

1. Products that are still in the **member's, member's agency's, or member's** charter school's physical possession; or
2. The **member's work** that has not yet been completed or abandoned. However, the **member's work** will be deemed completed at the earliest of the following times:
 - a. When all of the work called for in the **member's, member's agency's, or member's** charter school's contract has been completed.
 - b. When all of the work to be done at the job site has been completed if the **member's, member's agency's, or member's** charter school's contract calls for work on more than one job site.
 - c. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the project.

MM. **Spore(s)** means any dormant or reproductive body produced by or arising or emanating out of any **fungus(i), mold(s), mildew, plants, organisms or microorganisms**.

NN. **Suit** means a Civil Action or Special Proceeding under Code of Civil Procedure sections 22 and 23, and any similar federal court proceedings, seeking the recovery of **damages** to which this **memorandum** applies, caused by an **occurrence**. However, **suit** does not include a proceeding before the Office of Administrative Hearings.

NN. **Watercraft** means a vessel more than twenty-five (25) feet in length designed to transport persons or property in or through water.

OO. The following definitions are applicable only to Exclusion O above:

1. **Hazardous properties** include radioactive, toxic, or explosive properties.
2. **Nuclear facility** means:

- a. Any **nuclear reactor**;
 - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing **spent fuel**, or (3) handling, processing or packaging **waste**;
 - c. Any equipment or device used for the processing, fabricating or alloying of special **nuclear material** if at any time the total amount of such material in the custody of the **covered party** at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of **waste** and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
3. **Nuclear material** means **source material**, **special nuclear material**, or **byproduct material**.
 4. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
 5. **Source material**, **special nuclear material**, and **byproduct material** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
 6. **Spent fuel** means fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor.
 7. **Waste** means any waste material, (a) containing a byproduct material; and (b) resulting from the operation by any person or organization of any nuclear facility included within the definition of nuclear facility under paragraph (a) or (b) of Definition (2), above.
 8. With respect to injury to or destruction of property, the word injury or destruction includes all forms of radioactive contamination of property.

Section VIII -- Duties in the Event of Occurrence, Claim or Suit

- A. The **covered party** must immediately notify the **authority** of any **occurrence** which may result in a **claim** or **suit**. Such notice should include:
 1. How, when and where the **occurrence** took place; and
 2. The names and addresses of any injured persons and witnesses;
 3. The nature and/or location of any injury or damage arising out of the **occurrence**.
- B. If a **claim** or **suit** is brought against the **covered party**, the **authority** must be provided with prompt written notice of such **claim** or **suit**. Written notice must include:
 1. Any formal or verified claim;

2. Any demand, notice, summons, complaint or cross-complaint (including amended and supplemental complaints), or other legal papers.
- C. In order to assist the **authority** in the handling of any **claim** or **suit** in the protection of the **covered party's** interests, the **covered party** must:
1. Cooperate with the **authority** in the handling, settlement or defense of any **claim** or **suit**, and keep the **authority** fully informed as to the status and progress of any **claim** or **suit** for which the **covered party** seeks coverage hereunder;
 2. Authorize the **authority** to obtain records and other information which the **authority** requires in the handling, settlement or defense of any **claim** or **suit**;
 3. Assist the **authority** in the enforcement of any right against any person or organization which may be liable to the **covered party** because of injury or damage to which this coverage may also apply;
 4. As often as the **authority** reasonably requires, submit to an interview, recorded statement, or separate examination under oath.
- D. No **covered party** will, except at its own expense, voluntarily make any payment, assume any obligation or incur any expense except as may be required for medical expenses under student accident coverage (Endorsement #2) without the prior consent of the **authority**.

Section IX – Conditions

- A. Premium payment: The annual premium payment shall be due and payable upon presentation to the **member** by the **authority**, and shall be based upon rates established by the **authority** in effect at the inception of this **memorandum** of coverage and on each subsequent anniversary. The **authority** shall not be required to perform any obligation under this **memorandum** of coverage if the premium payment is not timely paid in full to the **authority** by the **member**.
- B. Termination: This **memorandum**, and all coverages provided thereby, may be terminated at any time in accordance with the bylaws of the **authority**.
- C. Statutory provisions: Terms of the **memorandum** which are in conflict with the statutes of the State of California are amended to conform to such statutes.
- D. Arbitration:
1. In the event that a question or dispute arises between the **authority** and a **covered party** concerning the applicability of the coverage provided by this **memorandum** to an **occurrence** or **claim** against the **covered party**, the **covered party** or the **authority** may make a written request for arbitration. When such a request is made, arbitration, as provided herein, shall be a condition precedent to the filing of any civil action concerning or in any way arising out of such question or dispute.
 2. Upon written request of any party, each party shall choose an arbitrator and the two chosen shall select a third arbitrator (judge). If either party refuses or neglects to appoint an arbitrator within thirty (30) days after receipt of the written request for arbitration, the requesting party may appoint a second arbitrator. All arbitrators appointed by any party shall be disinterested persons experienced and knowledgeable in the field of insurance or Joint Powers Authorities and in all cases shall be disinterested in the outcome of the arbitration. If the two arbitrators fail to agree on the selection of a third arbitrator (judge)

within thirty (30) days of their appointment, the **covered party** shall petition JAMS, Sacramento, California to appoint the third arbitrator (judge). If the JAMS, Sacramento office fails to appoint the third arbitrator (judge) within thirty (30) days after it has been requested to do so, either party may request the Superior Court of the State of California, County of Sacramento, to appoint the third arbitrator pursuant to California Code of Civil Procedure § 1281.6. The third arbitrator (judge) shall be a retired justice or judge of the California Supreme Court, the California Court of Appeal, the California Superior Court, the United States District Court, Northern, Eastern, Central or Southern Districts of the California or of the Ninth Circuit Court of Appeal, who is experienced and knowledgeable in the field of insurance or Joint Powers Authorities. Each party will bear the expenses it incurs, and the **covered party** and the **authority** will bear the expense of the third arbitrator equally.

Local rules of law as to procedure and evidence will apply. A decision agreed to by two (2) of the arbitrators will constitute a determination of the matter in question or dispute.

3. No action shall lie against the **authority** unless, as a condition precedent thereto, the **covered party** shall have fully complied with all the terms of this **memorandum**; nor until the amount of the **covered party's** obligation to pay the **claim** of a third party shall have been finally determined either by judgment against the **covered party**, after actual trial, or by written agreement of the **covered party**, the claimant, and the **authority**. Said judgment shall not be deemed final, if an appeal is filed therefrom, until the **suit** shall have been finally determined on appeal. Any person or organization, or the legal representative thereof, who has secured such judgment or written agreement, shall thereafter be entitled to recover under this **memorandum** to the extent of the coverage afforded by this **memorandum**.

Nothing contained in this **memorandum** shall give any person or organization any right to bring an action against the **authority** or to join the **authority** as a co-defendant in any action against the **covered party** to determine such **covered party's** liability.

- E. Other Insurance or Risk Transfer Agreements: When this coverage and any other policy of insurance or coverage form providing for risk transfer issued to any **covered party** except the **member**, including but not limited to any policy or risk transfer agreement constituting homeowners or renters' insurance, personal liability insurance, personal umbrella or excess insurance, or any policy or risk transfer agreement issued through any professional organization, association, or union providing such risk transfer agreement or insurance, cover an accident or event, the **authority's** coverage shall be excess over any other such insurance or risk transfer agreement, whether such insurance or risk transfer agreement is written as primary, excess, contingent, or on any other basis; provided only that such other insurance or risk transfer agreement is not written specifically to apply as excess over the coverage provided by this **memorandum** as indicated by such insurance or risk transfer agreement expressly designating this **memorandum** as underlying insurance or underlying coverage by specific identification of this **memorandum** in a schedule of underlying insurance or coverage set forth in or endorsed to such other policy or risk transfer agreement.

When this coverage is excess, the **authority** shall have no duty to defend a **covered party** against any **claim** or **suit** if any other **insurer** or party providing risk transfer has a duty to defend the **covered party** against the that **claim** or **suit**.

When the coverage provided by this **memorandum** is excess, the **authority** shall pay only its share of the loss, if any, that exceeds the sum of the total amount that all such other insurance or risk transfer agreements would pay for the loss in the absence of the coverage provided by this **memorandum**.

- F. Subrogation: In the event of any payment of money made by the **authority** under this **memorandum**, the **authority** shall be subrogated and otherwise entitled to all rights of recovery therefore against any person or organization and the **covered party** shall execute and deliver all instruments and papers and do whatever else is necessary to transfer and secure such rights to the **authority**, and to assist the **authority** in perfecting and pursuing such rights. The **covered party** shall do nothing at any time to prejudice such rights.

Any recoveries shall be applied as follows:

1. Any interests, including that of **covered party**, that have been paid in an amount in excess of payment made by **authority** under this **memorandum** will be reimbursed first;
2. The **authority** shall then be reimbursed up to the amount the **authority** has paid;
3. Any interests, including that of **covered party**, over which this coverage is excess, are entitled to claim the residue.

Expenses incurred in the exercise of rights of recovery shall be apportioned between the interests, including the **covered party**, in the ratio of the respective recoveries as finally settled.

- G. One occurrence: All **damages** or injury resulting from continuous or repeated exposure to substantially the same general conditions shall be considered to be the result of one **occurrence**.
- H. Duration of occurrence: An **occurrence** with a duration of more than one **coverage period** shall be treated as a single **occurrence** arising during the **coverage period** when the **occurrence** begins, and under no circumstances shall the fact that said **occurrence** has a duration of more than one **coverage period** entitle a **covered party** to more than that one **coverage period's limit of liability**.
- I. Deductible: In the event that the **covered party** shall not promptly reimburse the **authority** for the deductible amount in Item D of the declarations, costs incurred by the **authority** in collection of the deductible amount shall be added to and apply in addition to the deductible amount without limitation to such costs. These costs shall include, but not be limited, to legal fees and costs and interest.
- J. Severability: This **memorandum** uses the term **covered party** severally and not collectively, so that it applies separately to each **covered party** as if it were the only **covered party**. However, this provision shall not increase the **limit of liability**.
- K. No joinder: No person or entity shall have any right under this **memorandum** to join the **authority** as a party to any action against a **covered party** to determine the **covered party's** liability or the **authority's** coverage obligations.
- L. No third-party beneficiary: Nothing in this **memorandum** is intended to make any person or entity, other than a **covered party**, a third-party beneficiary of the coverage that this **memorandum** provides.
- M. Cross liability: This **memorandum** shall cover the **claim** of one **covered party** against another if such coverage is not otherwise excluded.
- N. Governing law: This **memorandum** shall be governed and construed in accordance with the laws of the State of California.

- O. Interpretation: This **memorandum** does not provide insurance. It is a negotiated agreement between the **authority** and the **member**. They agree that any rule requiring ambiguities or uncertainties to be construed against an insurer or drafter do not apply to this **memorandum**.
- P. Reservation of rights not required: The **authority** shall have no obligation to issue letters denying coverage or reserving of rights to deny coverage as a precondition for denying coverage at a later date.
- Q. Limitation on separate or independent counsel: The **authority** shall have no obligation to retain separate, independent or Cumis counsel for any **covered party** unless counsel selected by the **authority** would have an impermissible conflict of interest under the California Rules of Professional Conduct or the California Business and Professions Code.
- R. Right to modify: The **authority** reserves the right to revise, update and/or modify the terms and conditions of this **memorandum** from time to time and throughout the term of the **coverage period** as may seem necessary and reasonable to the **authority** due to an amendment to or repeal of any of the provisions of law referred to herein or for any other reason. When it shall do so, the **authority** shall provide appropriate notification to **members** through appropriate bulletins and/or memoranda outlining the changes
- S. Changes: No change or modification to this **memorandum** shall be effective except when made by written endorsement signed by the Director of the **Authority**.



SISC

Self-Insured Schools of California
Schools Helping Schools

ENDORSEMENT #1

No. SLP 7123 24

Effective: 07-01-2023 to 07-01-2024

**THIS ENDORSEMENT CHANGES THE MEMORANDUM
OF COVERAGE. PLEASE READ IT CAREFULLY.**

In consideration of the premium charged, it is agreed that the Deductible clause as shown in item D, Page 1, under Declarations of the Memorandum of Coverage (MOC), is amended to include the following:

In the event that the **covered party** shall not promptly reimburse the **authority** for the Deductible amount demanded, the costs incurred by the **authority** in collection of the Deductible amount shall be the responsibility of and chargeable to the **covered party**. These costs shall include, but are not limited to, all legal fees and costs incurred by the **authority** in recovering such Deductible amount, as well as interest at the Statutory rate on such deductible calculated from the date demanded.

By: _____
(Authorized Representative)

ENDORSEMENT #2
NO. SLP 7123 24

Effective: 07-01-2023 to 07-01-2024

**THIS ENDORSEMENT CHANGES THE MEMORANDUM OF
COVERAGE. PLEASE READ IT CAREFULLY**

STUDENT ACCIDENT INSURANCE

As respects the coverage provided by this **memorandum** of coverage, the **authority** shall pay the expenses for medical and surgical relief, as shall be medically necessary or advisable and reasonably incurred and approved by the **member, member's agency, or member's** charter school, for medical and surgical relief for **bodily injury** to regularly enrolled students on account of an **accident**, including:

- A. Paying for medical services commenced within 30 days in the treatment of bodily injury sustained by regularly enrolled students while this **memorandum** of coverage is in force;
- B. Reimbursing the **member, member's agency, or member's** charter school for all such expenses which the covered party incurs at the specific request of the **authority**;

Subject to the following conditions:

- 1. The limit of liability which the **authority** will pay for medical services or reimburse to the **member, member's agency, or member's** charter school for such services is \$2,500.00 per student for any one **accident**.
- 2. Coverage is provided for reasonable and customary medical services and supplies, which means:
 - a. The amount usually charged by the provider of the service; or
 - b. The prevailing charges made in the geographical area by those of similar professional standing; or
 - c. If the usual and customary charges for medical services and supplies cannot be easily determined, the **authority** will determine to what extent the charge is reasonable by taking into account:
 - (1) The complexity of services involved;
 - (2) The degree of professional skill required; and
 - (3) Other pertinent factors.
- 3. Coverage is provided to regularly enrolled students only while they are:
 - a. In or on school grounds or contracted facilities for regular school attendance or for scheduled summer sessions; or
 - b. Traveling to or from school in transportation owned or operated by or on behalf of the **member, member's agency, or member's** charter school; or

- c. Participating in activities which are sponsored and supervised by the **member, member's agency, or member's charter school**; or
- d. Practicing for or participation in school-time and interscholastic athletics except tackle football; or
- e. Attending extended daycare programs on the school premises and operated exclusively by the **member, member's agency, or member's charter school**, for its students; or
- f. Traveling to and from activities sponsored by the **member, member's agency, or member's charter school** on transportation owned or operated by or on behalf of the **member, member's agency, or member's charter school**; or
- g. Participating in board approved clubs sponsored by the **member, member's agency, or member's charter school**, including travel to and from such activities if such travel is on transportation owned or operated by or on behalf of the **member, member's agency, or member's charter school**.

If the **authority** makes payment under this student accident coverage for medical treatment for a student who asserts a **claim** against a **covered party** for damages arising out of the **accident** which caused the injury, the **covered party** (or the **authority** on its behalf) shall be entitled to offset against all amounts so paid, and to deduct from any proceeds payable in the disposition of, such student's **claim** against a **covered party**.

In the event of any payment by the **authority** under this **memorandum** of coverage, the **authority** shall be subrogated and otherwise entitled to all rights of recovery therefore against any person or organization and the **covered party** shall execute and deliver all instruments and papers and do whatever else is necessary to transfer and secure such rights to the **authority**, and to assist the **authority** in perfecting and pursuing such rights. The **covered party** shall do nothing at any time to prejudice such rights.

- D. Coverage under this section is applicable for a period of 52 weeks from the date of **accident** and applies to **accidents** which occur during the benefit period in the United States of America and Canada.
- E. Coverage under this section shall only be payable to the extent that the expenses incurred for any one **accident** exceed the limit of, are less than the deductible of, or are not covered by, other insurance available to the student from any other source.
- F. Coverage under this section is provided only for student **accidents** occurring in the United States of America and Canada.
- G. There is no coverage under this section for:
 - 1. Disease or illness;
 - 2. Participation in the practice or play of tackle football;
 - 3. Self-inflicted injury or injuries;

4. Orthodontics (braces or retainers) for any reason or damage to or loss of orthodontics or retainers.
5. Artificial aids such as eyeglasses, contact lenses, hearing aids, or refraction examinations or prescriptions for the same, except for prism glasses prescribed as a result of an **accident** to which this coverage applies.
6. Services or treatment rendered by a physician, nurse or any other person who is: (a) employed or retained by the covered party or (b) a member of the student's immediate family;
7. Injury sustained where the covered party is the operator of any motorized vehicle;
8. Injury sustained in the course of work while job shadowing or working for wages or profit;
9. Injury from any poison, gas, fumes voluntarily taken, administered, absorbed, or inhaled; or while being intoxicated, or from the use of controlled substance or drug unless the drug is prescribed by a physician
10. Injury due to war, act of war, taking part in a riot or from fighting (except in self-defense); or
11. Injury sustained from any act or forbearance to act by the student while he or she is committing or attempting to commit a felony.
12. Injury sustained while (or participating in) ballooning, bob-sledding, boxing, bungee jumping, flight in an ultra-light aircraft, glider flying, hang gliding, martial arts, parachuting, parasailing, riding in a rodeo, roller blading, sail-planing, scuba diving, shooting firearms, skydiving or surfing of any kind.
13. Injury where the student is attending, as a spectator, a non-required, after-regular-school-hours, school sponsored activity including but not limited to back to school nights, dances, open houses and sports activities.

H. Non-surgical services by a medical practitioner:

When treatment involves physiotherapy, diathermy, heat treatment, manipulation, massage or other modalities, the maximum number of covered visits per **accident** is fifteen (15).

I. Definitions for student **accident** coverage:

Accident means an event which occurs during the term of coverage which results in **bodily injury** including death resulting therefrom, sustained as a result of a specific incident which is neither expected nor intended from the standpoint of the **member, member's agency, or member's charter school**.

J. The amount payable under this coverage is in addition to the applicable limit of liability stated in the declarations.

K. Supplemental Coverages

Separate and apart from the coverages, conditions, and limitations set forth above, this Student Accident Coverage also provides for the payment of up to \$2,500.00 per incident to reimburse the **member, member's agency, or member's** charter school, or its designee for expenses reasonably incurred by or at the direction of the **member, member's agency, or member's** charter school to respond to or remediate:

1. An overdose suffered by a student while on the premises of the **member, member's agency, or member's** charter school, engaged in a school-related activity or field trip, or under the supervision and control of the **member, member's agency, or member's** charter school, including costs reasonably incurred for resuscitation, first aid, emergency transport, and medical or surgical relief, including counseling and mental health services, as shall appear to the **member, member's agency, or member's** charter school to be medically necessary or advisable and reasonably incurred and approved by the **member, member's agency, or member's** charter school;
2. The suicide, attempted suicide, or other instance of self-harm of a student reasonably understood or expected by the **member, member's agency, or member's** charter school to constitute an imminent danger to the life and health of the student while on the premises of the **member, member's agency, or member's** charter school, engaged in a school-related activity or field trip, or under the supervision and control of the **member, member's agency, or member's** charter school, including costs reasonably incurred for resuscitation, first aid, emergency transport, and medical or surgical relief, including counseling and mental health services, as shall appear to the **member, member's agency, or member's** charter school to be medically necessary or advisable and reasonably incurred and approved by the **member, member's agency, or member's** charter school;
3. Injuries resulting from the physical assault of any student while on the premises of the **member, member's agency, or member's** charter school, engaged in a school-related activity or field trip, or under the supervision and control of the **member, member's agency, or member's** charter school, including costs reasonably incurred for resuscitation, first aid, emergency transport, and medical or surgical relief, including counseling and mental health services, as shall appear to the **member, member's agency, or member's** charter school to be medically necessary or advisable and reasonably incurred and approved by the **member, member's agency, or member's** charter school.

The amount payable under these Supplemental Coverages is in addition to the applicable limit of liability stated in the declarations.

9181757.1



ENDORSEMENT #3

No. SLP 7123 24

Effective: 07-01-2023 to 07-01-2024

**THIS ENDORSEMENT CHANGES THE MEMORANDUM OF COVERAGE.
PLEASE READ IT CAREFULLY.**

SCHOOL RESOURCE OFFICERS - ENDORSEMENT

GENERAL LIABILITY COVERAGE

In consideration of the additional premium charged, it is agreed that the Memorandum of Coverage is amended as follows::

Section VI – Exclusions, exclusion FF., is deleted and replaced with the following:

FF. The rendering of or failure to render any professional service other than by an **employee** who is one of the following, but only while rendering professional services of the type associated with that **employee's** description: a teacher or other educational professional; a nurse; a medical assistant; a speech therapist; a speech pathologist; a nutritionist; a psychologist; an audiologist; a physical therapist; an athletic trainer; an authorized law enforcement officer; a person qualified to administer epinephrine auto-injectors pursuant to California Education Code section 49414(b)(5); a person qualified to administer naloxone hydrochloride or another opioid antagonist pursuant to California Education Code section 49414.3(b)(5); a person authorized to provide emergency care to pupils with diabetes suffering from severe hypoglycemia pursuant to California Education Code section 49414.5; a person qualified to administer emergency medical assistance to pupils with epilepsy suffering from seizures in a manner consistent with that set forth in California Education Code section 49414(b)(5), governing the administration of emergency Epinephrine and the related provisions of Education Code section 49423; a person utilizing an automated external defibrillator pursuant to Education Code section 49417 in a manner consistent with that set forth in California Education Code section 49414(b)(5) and the related provisions of California Education Code section 49423; a person designated to assist in the administration of medicine to a pupil pursuant to California Education Code section 49423(a) and (b); or an attorney; however, this **memorandum** does not apply to **damages** sustained by a member, **member's agency**, or **member's** charter school, arising out of the rendering or failure to render any professional service by an **employee** who is an attorney.

Except that the foregoing exclusion shall not apply to liability assumed by the member, **member's agency**, or **member's** charter school under a **covered contract** for the provision of services by a **School Resource Officer ("SRO")** employed by a municipal or public police department or sheriff's department, that requires the member, **member's agency**, or **member's** charter school to defend and/or indemnify the municipal or public police department or sheriff's department on account of liability arising out of the contracted services.

At Section VII – Definitions, definition “H. **Covered contract**”, “6.”, is deleted and replaced with the following:

6. That part of any contract or agreement pertaining to school operations in which the **member, member’s agency, or member’s charter school** assumes the tort liability of another to pay damages because of **bodily injury, property damage, or personal injury** to a third person or organization, if the contract or agreement is made prior to the incidence of any such **bodily injury, property damage, or personal injury**. Tort liability means the liability that would be imposed by law in the absence of any contract or agreement.

A **covered contract** shall also include a contract, agreement or memorandum of understanding entered into between the **member, member’s agency, or member’s charter school** and an accredited law enforcement agency for the provision of the service(s) of **School Resource Officer(s)** during the school year, pursuant to which the **member, member’s agency, or member’s charter school** assumes tort liability for **bodily injury, property damage, or personal injury** on account of the services to be performed under that contract, agreement, or memorandum of understanding.

At Section VII – Definitions, the following definition is added:

- JJ. **School Resource Officer or SRO** means a police or sheriff’s officer regularly employed by a municipal or public police department or sheriff’s department which contracts with the **member, member’s agency, or member’s charter school** to provide to the **member, member’s agency, or member’s charter school** an officer or officers whose regular duty assignment is located on or about the **member’s, member’s agency’s, or member’s charter school’s** premises and whose obligations include the provision of security to the **member, member’s agency, or member’s charter school**, and its or their **employees** and students during the **member’s, member’s agency’s, or member’s charter school’s** operational hours, as well as education-related law enforcement assistance including, but not limited to, the investigation and prevention of truancy and similar functions.

The coverage extended by this endorsement shall be no greater than that required by the **covered contract** entered into by the **member, member’s agency, or member’s charter school** for the provision of the services of a **School Resource Officer(s)**.

All other terms and provisions of the Memorandum of Coverage remain unchanged and continue to apply.

School Liability Program

Memorandum of Coverage No. SLP 7123 24

ENDORSEMENT #4

Effective 07-01-2023 – 07-01-2024

**THIS ENDORSEMENT CHANGES THE MEMORANDUM
OF COVERAGE. PLEASE READ IT CAREFULLY.**

In consideration of the premium charged, it is agreed as follows:

1. The Memorandum of Coverage, "Section III – The Authority's Limit of Liability" is amended as follows:

- (1) Paragraph D. is deleted.
- (2) The aggregate limit shown in the Declarations is the most the **authority** will pay for all **damages** and **defense costs** because of **occurrences**, wrongful acts or **employee benefit wrongful acts** covered under this **Memorandum**, regardless of the number of **covered parties, claims** made, **suits** brought, persons or organizations making **claims** or bringing **suits**, victims, incidents or locations.

2. The Memorandum of Coverage, "Section IV – Exclusions" is amended as follows:

Exclusion "CC" of the **Memorandum** is deleted as replaced with the following:

CC.

1. Sexual molestation, misconduct, abuse or harassment by any person;
2. Corporal punishment by any person; or
3. Physical or mental abuse by any person.

This Exclusion shall apply only to the **covered party** or other person, who commits or threatens to commit sexual molestation, misconduct, abuse or harassment, corporal punishment or physical or mental abuse.

3. The Memorandum of Coverage is amended to add Coverage H "Sexual Misconduct", subject to the following:

- (1) The following coverage is added with respect to "Sexual Misconduct" only, subject to a group aggregate limit for all SISC Members of \$15,000,000 as set forth below:

- (a) Coverage H – Sexual Misconduct

1. Insuring Agreement

- a. The **authority** will pay **damages** and **defense costs** in excess of \$2,000,000 and the "member deductible", if any, because of **bodily injury** and/or

personal injury arising from **sexual misconduct** to which this coverage applies. The **authority** may, at its discretion, investigate any **sexual misconduct claim** or **suit** and settle any such **claim** or **suit** seeking damages for **bodily injury**” or **personal injury** arising from **sexual misconduct** that may result. The amount the **authority** will pay all **damages** and **defense costs** for **net loss** is limited as described in Section III. The Authority’s Limit Of Liability of the Memorandum of Coverage and subject to this endorsement.

No other obligation or liability to pay sums or perform acts or services is covered under this endorsement.

(b) This coverage applies to **bodily injury** arising from **sexual misconduct** only if the **bodily injury**:

- (1) arises from **sexual misconduct** that takes place in the **coverage territory**; and
- (2) occurs during the **coverage period** during which this endorsement is in effect.

If **bodily injury** arising from **sexual misconduct** also occurred during a prior coverage period, only the Memorandum of Coverage in effect at the time **bodily injury** first occurred will apply.

(2) Exclusions

‘This insurance does not apply to:

- (1) **Damages** or **defense costs** for any person who is found legally liable on account of **bodily injury** for participating in any **sexual misconduct**. This exclusion applies regardless of the legal theory or basis upon which that person is found to be legally liable or responsible for any damages for **bodily injury** arising out of **sexual misconduct**.
- (b) **Damages** or **defense costs** arising out of a **claim** or **suit** brought or maintained by or on behalf of any **Covered Party** under this memorandum of coverage against any other **Covered Party** under this memorandum of coverage.
- (c) For any person who has been found guilty of, or pled guilty or no contest to, any criminal act involving **sexual misconduct**.

SECTION III – THE AUTHORITY’S LIMIT OF LIABILITY – GROUP AGGREGATE LIMIT– ALL SISC MEMBERS COMBINED

Under **COVERAGE H**, regardless of the number of **covered parties**, **claims** made, **suits** brought, persons or organizations making claims or bringing “**suits**”, victims, incidents, or locations at which **sexual misconduct** is alleged to have taken place, the sum of all **damages** and **defense costs** which the Authority will pay on account of all members for acts of **sexual misconduct** by any one person, or two or more persons acting together, as well as any breach of duty allowing or contributing to such acts during the **coverage period**, shall be limited to \$15,000,000

DEFINITIONS

1. **Coverage Territory** means United States of America, and its possessions and Canada
2. **Sexual misconduct** means any of the following, whether committed intentionally, recklessly, negligently, inadvertently or with the belief, erroneous or otherwise, by any insured or any other person that the victim is consenting and has the legal and mental capacity to consent thereto, and whether caused by or at the instigation of any insured or any other person performing services for or on behalf of any insured:
 - a. Any sexual act, sexual contact, or touching of a sexual nature;
 - b. Any sexual assault, sexual abuse, sexual molestation or sexual harassment; or
 - c. Any verbal, written, recorded, or electronic correspondence, transmission or communication of a sexual nature;
 - d. Any conduct within the meaning of "Childhood Sexual Assault" as defined in Code of Civil Procedure §§ 340.1 and 1002; and Government Code § 905.

* * * * *

All other terms and conditions of the Memorandum of Coverage remain unchanged.

By: _____
(Authorized Representative)

9181908.1



SISC

Self-Insured Schools of California
Schools Helping Schools

Memorandum of Coverage

No. SPP 7123 24

School Property Program

Declarations

- A. **Covered Party:** See attached Endorsement No. 1
- B. **Coverage Period:** FROM 07-01-2023 TO 07-01-2024
- C. **Limit of Liability per Occurrence:** for **Locations** scheduled under this **Memorandum**, \$250,000 total available for any one loss, subject to certain Sub limits and group aggregate limits as follows:

\$ 5,000	Trees, plants, shrubs, lawns and landscaping
\$10,000	Property of others
\$10,000	Debris removal
\$10,000	Real or Personal Property at any unscheduled Location /exhibition
\$10,000	Property in transit
\$20,000	Pollution and contamination
\$50,000	Demolition and increased cost of construction
\$50,000	Valuable papers and records including Accounts Receivables

Special Group Aggregate Sublimit for Flood

The coverage available for **Flood** under the authority's excess coverage is subject to a group aggregate limit of \$7,500,000 for all loss or damage suffered by any and all **Covered Parties** identified in Endorsement No. 1 and \$5,000,000 for flood located in Zone A & V (included within the overall Flood Annual Aggregate.)

- D. **Deductible per Occurrence:** In consideration of the reduced premium for which this policy is written, it is agreed that each claim for loss or damage (separately occurring) shall be adjusted separately and from the amount of each such adjusted claim the amounts shown below shall be deducted:
- \$ _____ for each loss.
- E. **Territory:** This Memorandum covers property located within the 50 states comprising the United States of America, the District of Columbia, and Canada.

Memorandum of Coverage

No. SPP 7123 24

School Property Program

In consideration of the payment of premium and subject to the following terms and conditions, Self-Insured Schools of California (SISC II), hereinafter referred to as the "**Authority**," and the party named in the Declarations, hereinafter referred to as the "**Covered Party**," do hereby agree as follows:

I. Interest & Property Covered

Except as hereinafter excepted, limited or excluded, this Memorandum covers:

- A. The insurable interest of the **Covered Party** in all **Real Property** and **Personal Property** owned by the **Covered Party**, including the **Covered Party's** interest in improvements and betterments to buildings not owned by the **Covered Party**.
- B. The interest and legal liability of the **Covered Party** in **Real** and **Personal Property** of others in the actual or constructive custody of the **Covered Party**.
- C. **Personal Property** of others:
 - 1. Sold or leased by the **Covered Party** and which the **Covered Party** has agreed in writing prior to loss to insure for the account of the purchaser or lessee during course of delivery;
 - 2. Sold or leased by the **Covered Party** under an installation agreement in which it is expressly stated that the **Covered Party's** responsibility for such property continues until the installation is accepted by the purchaser or lessee.
- D. The insurable interest of the **Covered Party** in owned, leased, rented, or borrowed motor vehicles, including busses, while located on the **Covered Party's** premises, but only for direct physical damage to such motor vehicles.

II. Interest & Property Not Covered

This Memorandum does not cover:

- A. Currency, money, notes, securities, deeds, evidences of debt, letters of credit, tickets, telephone cards, and other negotiable instruments.
- B. Domesticated and undomesticated animals, including livestock.
- C. Powered and unpowered aircraft or watercraft, including lighter than air and submersible vessels.

- D. Land, land values, soil, water (including ground water), surface water, process water and drinking water, growing crops, drying crops, and standing and cut timber.
- E. Excavations; gradings (including filling and backfilling); underground pipes, flues, or drains; reservoirs, dams, embankments, and other like structures.
- F. Property sold by the **Covered Party** under a conditional sales agreement, trust agreement, installment agreement, or other deferred or conditional payment plans, after delivery to customer and only during the life of any such agreement.
- G. Wells; foundations, footings of any kind, pilings below the surface of the ground, piers, wharves, docks, pavements, sidewalks, roadways, driveways, hardscape, retaining walls that are not part of a covered building.
- H. Buses and other motor vehicles licensed for highway use, when not on the **Covered Party's** premises.
- I. Waterborne shipments.
- J. Furs, fur garments and garments containing fur, jewels, jewelry, watches, pearls, precious and semi-precious stones, bullion, gold, silver, platinum, and other precious metals and alloys;
- K. Property in the course of shipment, including but not limited to property sent by U.S. Mail, Federal Express, United Parcel Service, or other similar shippers.
- L. Power generating, distributing, transmission and feeder lines or systems not integrated into a covered building. Radio, television, **cellular**, satellite and data transmission lines and systems are also excluded, unless specifically added by scheduled endorsement.
- M. Contraband or property which is stolen, unlawful to possess, or which is used in the course of unlawful trade.
- N. Property while covered under import, export, maritime or ocean marine policies.
- O. Artificial turf and artificial turf fields unless specifically added by endorsement.

III. Perils Covered

This Memorandum covers against all risks of direct, physical loss or damage (including general average and salvage charges), except as herein excepted, excluded or limited.

IV. Perils Excluded

This Memorandum does not insure against loss, damage or expense caused directly or indirectly by or resulting directly or indirectly from the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss:

- A. Wear and tear, wet or dry rot, gradual deterioration, inherent vice, latent defect, moth, insects and vermin.
- B. Faulty, inadequate or defective: planning, zoning, development, surveying, siting, design, specification, workmanship, repair, construction, renovation, remodeling, grading, compaction, materials used in repair, construction, renovation or remodeling, maintenance,

or the cost of making good any of the foregoing, except any ensuing loss or damage to covered property not otherwise excepted, excluded or limited by this Memorandum is covered.

- C. Delay, loss of market or loss of use.
- D. Dampness or dryness of atmosphere, extremes or changes of temperature, shrinkage, evaporation, loss of weight, rust, contamination, change in flavor, color, texture or finish.
- E. Riot or civil commotion.
- F. Any dishonest or fraudulent act or acts, including intentional misrepresentation or concealment of any material fact or circumstance, committed alone or in collusion with others:
 - 1. By any of the directors, partners, officers, agents or employees of the **Covered Party**, whether or not such acts are committed during regular business hours; or
 - 2. By any of the proprietors, partners, directors, trustees or elected officers of any proprietorship, partnership, corporation, association or other entity (other than a common carrier) engaged by the **Covered Party** to render any service or perform any act in connection with property insured under this Memorandum.
- G. Shortage disclosed or discovered on taking inventory or unexplained or mysterious disappearance.
- H. Settling, cracking, shrinkage or expansion of foundations, walls, floors, roofs or ceilings.
- I. Leakage, seepage, overflow or escape from any automatic fire protection system, automatic sprinkler, fire hydrant, standpipe, plumbing, heating or cooling system or their appliance, caused by freezing while the building(s) or other structure in which such system or appliance is located is vacant or unoccupied, unless the **Covered Party** shall have exercised due diligence with respect to maintaining heat in the building(s) or unless such system or appliance had been drained and the water supply shut off during such vacancy or unoccupancy.
- J. Processing, renovating, restoring, retouching, repairing, or faulty workmanship thereon to **Personal Property**, including, but not limited to, fine arts, unless fire and/or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion.

Additional Exclusion Applicable to Fine Arts

- 1. This Memorandum provides no coverage for breakage of or damage to statuary, marble, glassware, bric-a-brac, porcelains and similar fragile articles, unless caused by fire, lightning, aircraft, theft and/or attempted theft, cyclone, tornado, windstorm, explosion, malicious damage or collision, derailment or overturn of conveyance.
- K. Contamination, leakage, breakage of glass or other fragile articles, marring, scratching, or exposure to light of **Personal Property**, unless such loss or damage is caused directly by fire or the combating thereof, lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus.

- L. Error(s) or omission(s) in processing or copying unless fire or explosion ensues and then only for direct loss caused by such ensuing fire or explosion.
- M. Mechanical failure, faulty construction, or error in design involving, directly or indirectly, data processing equipment or data processing systems, unless fires or explosion ensues, and then only for loss, damage or expense caused by such ensuing fire or explosion.
- N. Exposure to weather conditions where any covered **Personal Property** is left in the open and not contained in or reasonably protected by any shelter, structure or building.
- O. Error(s) or omission(s) in machine programming or instruction to a machine.
- P. **War, War-like** acts or terrorism, including, but not limited to, such acts by non-governmental entities, ventures, associations or groups.
- Q. Nuclear reaction, nuclear radiation or radioactive contamination, all whether controlled or uncontrolled, and whether such loss be direct or indirect, proximate or remote, or be in whole or in part caused by, contributed to, or aggravated by any peril insured against in this Memorandum, however, subject to the foregoing and all other provisions of this Memorandum, direct loss by fire resulting from nuclear reaction or nuclear radiation or radioactive contamination is insured against by this Memorandum.
- R. Electrical injury or disturbance to electrical appliances, devices, or wiring caused by electrical current artificially generated. But, if loss or damage from a covered peril results to covered property from such electrical injury or disturbance, then this Memorandum shall cover such ensuing loss or damage not otherwise excepted or excluded from coverage; this exclusion shall not apply to electronic data processing systems.
- S. Fungus, mold, mildew or yeast; or any spore or toxin created or produced by or emanating from such fungus, mold, mildew or yeast.
 - 1. Fungus includes, but is not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including mold, rust, mildew, smut and mushroom;
 - 2. Mold includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce mold;
 - 3. Spore means any dormant or reproductive body produced by or arising or emanating out of any fungus, mold, mildew, plant, organism or microorganism.
- T. Error(s) or omission(s) in processing or manufacturing of the **Covered Party's** products. But, if loss or damage from a covered peril results to covered property from such error or omission in processing or manufacturing then this Memorandum shall cover such ensuing loss or damage not otherwise excepted or excluded from coverage.
- U. Loss or damage to any aircraft or watercraft, or any motor vehicle licensed for highway use, when not on the **Covered Party's** premises.
- V. Earth Movement as defined below:
 - 1. Earthquake, including land shock waves, seismic waves or tremors before, during or after a volcanic eruption;

2. Landslide, debris flow, mudslide or mudflow;
3. Subsidence or sinkhole; or
4. Any other earth movement, including earth sinking, settling, consolidation, rising or shifting;

Caused by or resulting from human or animal forces or any act of nature, unless direct loss by fire or explosion ensues and then this memorandum will only cover the ensuing loss.

W. **Flood:** The Authority shall not be liable for any loss caused by **Flood** (as defined in Section V. D.), which commences before the effective date and time of this memorandum; nor shall the authority be liable for any loss caused by **Flood** occurring more than seventy-two (72) hours after the expiration of this memorandum, except that coverage shall be available for losses caused by **Flood** occurring within seventy-two (72) hours of the expiration of the memorandum provided that the first damage resulting in such loss commences prior to the date and time of the expiration of this memorandum.

X. Actual, alleged, or threatened release, discharge, escape or dispersal of **Contaminants** or **Pollutants**, all whether direct, indirect, proximate or remote, in whole or in part, and regardless of whether caused by, resulting from, contributed to or made worse, directly or indirectly, by any cause of physical loss or damage covered by this Memorandum.

This exclusion shall not apply when loss or damage directly ensues from fire, lightning, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm, hail, vandalism, or malicious mischief. But, in the event of such ensuing direct loss or damage, this Memorandum shall not provide coverage for more than \$10,000 as a result of such ensuing direct loss or damage.

This exclusion shall also not apply when loss or damage is directly caused by leakage or accidental discharge from an automatic fire protection system.

Y. This Memorandum does not cover:

1. The cost of removal or containment of asbestos, dioxin or halogenated organic compounds, or polychlorinated biphenols (hereinafter all referred to collectively and individually as Materials) from any good, product or structure. However, if a good, product or structure is damaged by fire, lightening, aircraft impact, explosion, riot, civil commotion, smoke, vehicle impact, windstorm or hail, vandalism, malicious mischief, or leakage or accidental discharge from an automatic fire protection system, the cost of removal of asbestos, dioxin or halogenated organic compounds shall be covered herein. The coverage afforded by this limited extension of coverage does not apply to the cost of investigation, litigation or defense of any loss or damage, or any cost for loss of use expense, fine or penalty or for any expense or claim or suit related to any of the above;
2. The cost or increased cost of demolition or increased cost of reconstruction, repair, debris removal or loss of use necessitated by the enforcement of any law or ordinance regulating such Materials;

3. Loss or damage resulting from any governmental direction, order, advisory, opinion, or request alleging, concluding or declaring that such Material present in, or part of, or utilized on any undamaged portion of the **Covered Party's** property may no longer be used for the purpose for which it was intended or installed, or must be removed or modified.
- Z. Notwithstanding any other provision herein, this Memorandum does not cover loss, damage, costs, expenses, fines, penalties or liabilities incurred as a result of, or imposed upon or ordered against the **Covered Party** by any court, judicial or administrative officer or governmental representative or agency arising from any cause whatsoever, direct or indirect.
- AA. This Memorandum does not cover:
1. Damage or consequential loss directly or indirectly caused by, consisting of, or arising from, the failure or omission of any computer, data processing equipment, microchip, operating system, microprocessor (computer chip), integrated circuit or similar device, or any computer software, to:
 - a. Correctly recognize any date as a true and correct calendar date;
 - b. Capture, save, retain, and/or correctly manipulate, interpret or process any data or information or command or instruction as a result of treating any date as other than the true and correct calendar date; and/or
 - c. Capture, save, retain or correctly process any data as a result of the operation of any command which has been programmed into any computer hard drive, memory of any type, operating system or software, being a command which causes the loss of data or the inability to capture, save, retain or correctly process such data on or after any date.
 2. The repair, programming or modification of any part of an electronic data processing system or its related equipment, including, but not limited to, microprocessors, hard drives, microchips and operating systems, to correct deficiencies or features of logic or operation;
 3. Damage or consequential loss arising from the failure, inadequacy, or malfunction of any advice, consultation, design, evaluation, inspection, installation, maintenance, repair or supervision done by the **Covered Party** or for the **Covered Party** or by or for others to determine, rectify or test any potential or actual failure, malfunction, or inadequacy described in (1) above.

Cost, expense, damage or consequential loss described in (1), (2), or (3) above is excluded regardless of any other cause(s) that contributed concurrently or in any other sequence.

This exclusion does not exclude ensuing damage or consequential loss, not otherwise limited, excepted or excluded, which itself results from one or more of the following perils: fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, hurricane, cyclone, riot, strike, civil commotion, vandalism, malicious mischief, earthquake, volcano, tsunamis, freeze or weight of snow.

BB. This Memorandum does not cover:

1. Any functioning malfunctioning or interruption of the Internet, streaming service, or similar facility or system, or of any wireless network, wired network, intranet or private network or similar facility or system;
2. Any corruption, destruction, distortion, erasure or other loss or damage to data, software, operating system or any kind of programming or instruction set;
3. Loss of use or functionality, whether permanent, temporary, partial or complete, of data, code, operating system, program, software, computer, computer system or component, peripheral, or other device dependent upon any microchip, microprocessor or embedded logic, and any ensuing liability, inability or failure of the **Covered Party** to conduct business;

Cost, expense, damage or consequential loss described in 1, 2, or 3 above is excluded regardless of any other cause(s) that contributed concurrently or in any other sequence; This exclusion does not apply to ensuing damage or consequential loss, not otherwise limited, excepted or excluded, which itself results from one or more of the following perils: fire, lightning, earthquake, explosion, falling aircraft, **Flood**, smoke, vehicle impact, windstorm or tempest.

CC. Mechanical breakdown or coincident damage of mechanical equipment due to such breakdown.

DD. Electrical injury or coincident damage of electrical equipment due to such injury.

EE. Explosion, rupture or bursting of steam boilers, steam pipes, steam turbines or steam engines or flywheels owned or operated by the **Covered Party**.

FF. Failure or neglect of the **Covered Party** to use all reasonable means to limit loss, or to save and preserve property at and after the time of a loss.

GG. Any cost or expense incurred to clean up or remediate **Covered property** as a result of the actual or suspected exposure or existence of any virus, bacteria, pathogen, or infectious agent on or about the premises.

V. Definitions

A. **Actual Cash Value:** shall mean the lesser of repair or **Replacement Cost** (at the time of the loss) minus depreciation based on the property's useful life or market value.

B. **Contaminants or Pollutants:** shall mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, waste, bacteria, fungi, virus, or hazardous substances as listed in the United States Federal Water Pollution Control Act, United States Clean Water Act, United States Clean Air Act, United States Resource Conservation and Recovery Act of 1976, United States Toxic Substances Control Act, and related amendments, or as designated by the United States Environmental Protection Agency, which after its release can or does cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property covered by this Memorandum, including, but not limited to, bacteria, fungi, virus, or hazardous substances as listed in the aforementioned enactments or as

designated by the United States Environmental Protection Agency. Waste includes materials to be recycled, reconditioned or reclaimed.

- C. **Covered Party:** shall mean each individual, entity or other person as named in the Declarations
- D. **Flood:** shall mean a general and temporary condition where two or more acres of normally dry land or two or more properties are inundated by water from:
 - 1. Overflow of inland or tidal waters;
 - 2. Unusual and rapid accumulation or runoff of surface waters from any source;
 - 3. Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a **flood** as defined above.
- E. **Location:** shall mean any building (or groups thereof) bounded on all sides by public streets or open waterways or open land space, each of which shall not be less than fifty feet wide (any bridge or tunnel crossing such street or waterway or open space shall render such separation inoperative for the purpose of this definition) when scheduled under this Memorandum with the Authority.
- F. **Personal Property:** shall mean furniture, fixtures, machinery, equipment, stock, interest in tenant improvements and betterments, and all other **Personal Property** owned by the **Covered Party** and used in the business of the **Covered Party**.
- G. **Real Property:** shall mean a building: meaning an intended or existing roofed and walled structure including attached or appurtenant signs, glass, exterior light fixtures and poles, along with man-made structures on the land on which the building is located, including fencing, well-housings, building equipment and machinery and **Personal Property** of the **Covered Party** associated with the building, all owned by the **Covered Party** and used in the business of the **Covered Party**.
- H. **Replacement Cost:** shall mean the cost of replacing **real** or **personal property** with property of reasonably like kind, quality, and utility, without deduction for depreciation.
- I. **War:** shall mean:
 - 1. Hostile or **warlike** action in time of peace or **war**, including action in hindering, combating or defending against an actual, impending or expected attack,
 - a. by any government or sovereign power (de jure or de facto); or
 - b. by any political, religious or governmental authority maintaining or using military, naval or air forces; or
 - 2. Any weapon of **war** employing atomic fission or radioactive force whether in time of peace or **war**;
 - 3. Insurrection, revolution, civil **war**, coup, or usurped power; or

4. Action taken by governmental authority in hindering, combating or defending against such an occurrence, seizure or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

VI. Extensions of Coverage

A. Business Interruption

Business interruption means loss resulting from necessary interruption of business conducted by the **Covered Party** and caused by direct physical loss or damage by any of the perils covered herein during the term of this Memorandum to Real and/or **Personal Property** as covered herein.

If such loss occurs during the term of this Memorandum, it shall be adjusted on the basis of the actual loss sustained by the **Covered Party**, during the period of restoration, consisting of the net profit (or loss) which is thereby prevented from being earned and of all charges and expenses (excluding ordinary payroll), but only to the extent that they must necessarily continue during the interruption of business, and only to the extent to which they would have been incurred had no loss occurred.

Ordinary payroll is defined to be the entire payroll expenses for all employees of the **Covered Party** except officers, executives, and department managers.

This Memorandum does not provide coverage for any loss resulting from the time required to reproduce finished stock. Finished stock shall mean stock manufactured by the **Covered Party** which, in the ordinary course of the **Covered Party's** business, is ready for packing, shipment, trade or sale.

1. Resumption of Operations: It is an express condition of this extension of coverage that, if the **Covered Party** could reduce the loss resulting from the interruption of business,
 - a. By a complete or partial resumption of operations; or
 - b. By making use of other available stock, merchandise or **Location**;
Such reduction will be taken into account in arriving at the amount of loss hereunder, but only to the extent that the Business Interruption loss covered under this policy is thereby reduced.
2. Expense to Reduce Loss: This Memorandum also covers such expenses as are reasonably and necessarily incurred for the purpose of reducing any Business Interruption loss under this Memorandum, provided such coverage shall not exceed the amount by which the Business Interruption loss covered under this Memorandum is thereby reduced.
3. Experience of Business: In determining the amount of net profit (or loss), charges and expenses covered hereunder for the purpose of ascertaining the amount of loss sustained, due consideration shall be given to the experience of the **Covered Party's** business before the date of damage or destruction and to the probable experience thereafter had no loss occurred.

B. Extra Expense

Extra Expense meaning the excess cost reasonably and necessarily incurred to continue the operation of the **Covered Party's** business that would not have been incurred had there been no loss or damage to covered Real and/or **Personal Property** by any of the perils covered herein during the term of this Memorandum.

C. Rental Value

This Memorandum covers the **Covered Party's** loss of total anticipated gross rental income from tenant occupancy of Covered Property as furnished and equipped by the **Covered Party** resulting directly from the necessary untenability, during the period of restoration, caused by loss, damage or destruction by any of the perils covered herein during the term of this Memorandum to a covered **Location**, but not exceeding the reduction in rental value less charges and expenses which do not necessarily continue during the period of untenability.

1. Expense to Reduce Loss: This Memorandum also covers such expenses as are reasonably and necessarily incurred for the purpose of reducing any Rental Value loss covered under this Memorandum. Such coverage, however, shall not exceed the amount by which the loss under this Memorandum is thereby reduced.
2. Experience of the Business: In determining the amount of Rental Value covered hereunder for the purpose of ascertaining the amount of loss sustained, due consideration shall be given to the rental experience before the date of damage or destruction and to the probable experience thereafter had no loss occurred.

D. Additional Provisions Applicable to:
Business Interruption, Extra Expense and Rental Value Coverage

1. Period of Restoration: Period of restoration means the period of time that:
 - a. Begins with the date of direct physical loss or damage to covered **Location** by any of the perils covered herein; and
 - b. Ends on the date when the covered **Location** should be repaired, rebuilt, or replaced with reasonable speed and similar quality.

Period of restoration does not include any increased period of time required due to the enforcement of any ordinance or law that requires the insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, investigate or assess the effects of **Contaminants** or **Pollutants** as defined in this Memorandum.

2. Special Exclusions: This Memorandum does not cover against any increase of loss or expense which may be occasioned by the suspension, lapse, or cancellation of any lease, license, contract, or order, or for any increase of loss due to delays in rebuilding, repairing, or replacing the covered property damaged or destroyed or with the resumption or continuation of business, or with the reoccupancy of the premises caused by interference at the **Covered Party's** premises by strikes or other persons nor for any increase of loss which may be occasioned by loss or damage to property in transit away from the **Covered Party's** premises.

3. Extension of Coverage: This Memorandum, subject to all of its provisions and without increasing the Limits of Liability as stated herein, also provides coverage for interruption of business conducted by the **Covered Party** resulting from loss or damage, by the perils insured against, during the term of this Memorandum, to:
 - a. Public utility plants, transformers or switching stations, substation furnishing heat, light, power, water, telephone or gas to the **Covered Party's** premises, but within one square mile of the premises;
 - b. Any covered property thereby preventing ingress to or egress from the **Covered Party's** insured **Location**, for a period not exceeding two (2) weeks;
 - c. Any covered property when access to the **Covered Party's** insured **Location** is prohibited by order of civil or military authority, for a period not exceeding two (2) weeks.

E. Valuable Papers and Records

Valuable papers and records, shall mean written, printed or otherwise inscribed documents and records, including but not limited to books, maps, films, drawings, abstracts, deeds, mortgages, micro inscribed documents, manuscripts and media, but not including Electronic Data Processing Data or Electronic Data Processing Programs, money and/or securities.

The term securities shall mean all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets, but does not include money.

F. Electronic Data Processing Equipment, Media, Data and Programs

1. Electronic Data Processing Equipment shall mean electronic data processing systems including keyboards, display screens, terminals, printers and related peripheral equipment;
2. Electronic Data Processing Media shall mean magnetic tapes, compact discs, diskettes, disk packs, cards or other standardized data recording materials which can be read by electronic data processing equipment;
3. Electronic Data Processing Data shall mean information, instructions or programs that are recorded on your media, including original source material used to enter data;
4. Electronic Data Processing Programs shall mean software that are purchased or written specifically to be used with electronic data processing equipment.

G. Property in Transit

Subject to the terms and conditions of this Memorandum, coverage is hereby extended to:

Personal Property of the **Covered Party** or **Personal Property** of others held by the **Covered Party** in trust or on commission or in consignment for which the **Covered Party** may be held liable, while in due course of transit within the limits of the Continental United States of America and Canada, against all risks of direct physical loss or damage to the

property insured occurring during the period of the Memorandum (including general average and salvage charges on shipments covered while waterborne).

H. Demolition and Increased Cost of Construction

In the event of loss or damage during the term of this Memorandum by any of the perils covered herein to a covered **Location**, that causes the enforcement of any law or ordinance regulating the reconstruction or repair of the damaged **Location**, subject to the Limits of Liability, this Memorandum provides coverage for:

1. The cost of demolishing the undamaged part of the **Location**, including the cost of clearing the site;
2. The value of such undamaged part of the **Location** which must be demolished;
3. The increased cost of repair or reconstruction of the damaged **Location** on the same or another site limited to the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged **Location** and the cost thereof on the same site. However, this Memorandum does not provide coverage for any increased cost of repair or reconstruction unless the damaged **Location** is actually rebuilt or replaced within two years after the date of loss;
4. The full cost of repair or reconstruction, including engineer's and architect's fees, professional fees, project manager's fees and inspection fees, for both the damaged and demolished portions of the **Location** with materials and in a manner to fully satisfy the minimum requirements of such ordinance law;
5. Any increase in the business interruption, extra expense or rental value loss arising out of the additional time required to comply with such law or ordinance. This increase will be based upon the difference between the additional time required to comply with the law or ordinance and the time it would have taken to replace the property with materials of like kind and quality, absent such law or ordinance.

I. Debris Removal

This Memorandum covers the necessary and reasonable expenses actually incurred by the **Covered Party** for removal of debris of property covered hereunder resulting from damage to covered property by a peril insured against.

This coverage does not apply to costs to:

1. Extract **Contaminants** or **Pollutants** from the debris; or
2. Extract **Contaminants** or **Pollutants** from land or water; or
3. Remove, restore or replace contaminated or polluted land or water; or
4. Remove or transport any property or debris to a site for storage or decontamination required because the property or debris is affected by **Pollutants** or **Contaminants**, whether or not such removal, transport, or decontamination except to the extent such removal, transport, or decontamination is required by any law, statute, or regulation and then subject to the provisions of Section VI, "H. Demolition and Increased Cost of Construction", above.

It is a condition precedent to recovery under this extension of coverage that the Authority shall have paid or agreed to pay for direct physical loss or damage to the property insured hereunder and that the **Covered Party** shall give written notice to the Authority of intent to claim the cost of removal of debris or cost to clean up not later than 180 days after the date of such physical loss or damage.

This extension of coverage does not increase any Limit of Liability of this Memorandum.

J. Fire Brigade Charges and Extinguishing Expense

If property insured is destroyed or damaged by a peril insured against, this Memorandum shall cover:

1. Fire brigade charges and other extinguishing or suppression expenses for which the **Covered Party** may be assessed;
2. Loss of fire extinguishing or suppression materials expended.

VII. Newly Acquired Property

This Memorandum is extended to cover newly acquired property of a nature similar to those scheduled hereunder, including property in the course of new construction. In consideration, the **Covered Party** agrees to report such additions immediately, but no less than sixty (60) days from the date the property is acquired or the start of new construction or the date this Memorandum expires whichever first occurs. This Memorandum shall cease to cover such newly acquired property or property under course of new construction if it is not reported to the Authority within sixty (60) calendar days of acquisition by the **Covered Party**, or the start of such new construction, or the date this Memorandum expires, whichever first occurs.

VIII. Limits of Liability

The Authority shall not be liable under this Memorandum for more than the following limits for loss or damage to covered property arising from any one loss or disaster:

1. While at **Locations** scheduled under this Memorandum:

\$250,000 Blanket limit per any one loss, except;

2. Sublimits of Liability:

\$ 5,000	Trees, plants, shrubs, lawns and landscaping
\$10,000	Property of others
\$10,000	Debris removal
\$10,000	Real or Personal Property at any unscheduled Location/exhibition
\$10,000	Property in transit
\$20,000	Pollution and contamination
\$50,000	Demolition and increased cost of construction
\$50,000	Valuable papers and records including Accounts Receivables

The above sublimits of liability and any other limits stated herein are part of the limit of liability as shown in (1) above and do not serve to increase the limit of \$250,000.

IX. Salvage

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

X. Valuation

At the time of the loss, the value of covered property shall be as follows:

- A. **Real and/or Personal Property** at repair or **Replacement Cost** without deduction for depreciation except as provided below.
 - 1. The Authority's liability for loss on a repair or **Replacement Cost** basis shall not exceed the smallest of the following amounts:
 - a. The limit of this Memorandum applicable to the damaged or destroyed property;
 - b. The repair or **Replacement Cost** of the property or any part thereof identical with such property on the same **Location** and intended for the same occupancy and use; or
 - c. The amount actually and necessarily expended in repairing or replacing said property or any part thereof.
 - 2. The Authority shall not be liable under this Memorandum for any loss occasioned, directly or indirectly, by the enforcement of any ordinance or law regulating the use, construction, repair or demolition of property unless such liability has been specifically assumed under this Memorandum.
 - 3. If the property is not repaired or replaced within twelve (12) months from the date of loss, the valuation is to be on an **Actual Cash Value** basis measured at the time of loss.
- B. Contractor equipment at not more than the **Actual Cash Value** of the property at the time of loss or damage.
- C. Property of others at the amount for which the **Covered Party** is legally liable, but not exceeding **Actual Cash Value**.
- D. Tenant's Improvements and Betterments:
 - 1. If repaired or replaced at the expense of the **Covered Party** within twelve (12) months from the date of loss, the repair or **Replacement Cost** of the damaged or destroyed improvements and betterments.
 - 2. If not repaired or replaced within twelve (12) months from the date of loss, the proportion of the original cost at the time of installation of the damaged or destroyed property which the unexpired term of the lease or rental agreement, whether written or oral, in effect on the date of loss bears to the period from the date such improvements or betterments were made to the expiration date of the lease.
 - 3. If repaired or replaced at the expense of others, there shall be no liability hereunder.

- E. Mercantile Stock: stock actually sold but not delivered at the price at which it was sold, less all discounts and un-incurred expenses.
- F. Manufacturer's Finished Stock: finished stock manufactured by the **Covered Party** at the price, less all discounts and un-incurred expenses, for which the stock has been or would have been sold had no loss occurred.
- G. Valuable Papers and record and media: The cost to repair or replace the property with other property of like kind and quality including the cost of gathering and/or assembling information, but only if such property is actually repaired or replaced.
- H. Patterns and dies: Repair or **Replacement Cost** if actually repaired or replaced within twelve months following the date of loss; otherwise, at scrap value.
- I. Electronic Data Processing Equipment: The actual cost to repair or replace the lost or damaged property with property of the same kind, quality and capability, on the same site and used for the same purpose.
- J. Electronic Data Processing Media: The actual cost to repair or replace the property with other property of like kind and quality.
- K. Electronic Data Processing Data and Programs; the actual cost to reproduce the data and programs, up to the limit of coverage, if the data and programs are actually reproduced. Such costs shall include any additional reasonable expense incurred in reproducing the data and programs, to continue normal computer operations. There shall be no liability hereunder for data and programs that cannot be reproduced due to lack of backup, support documentation or records unless such articles are described and specific limits shown in this Memorandum.
- L. Fine arts: The appraised value; or, if there is no appraisal at the greater of:
 - 1. The original acquisition cost, or
 - 2. The fair market value at the time of loss.
- M. Licensed Vehicles
 - 1. Vehicles older than five (5) years shall be at **actual cash value**.
 - 2. Vehicles newer than five (5) years shall be repair or **Replacement Cost**.
- N. All property not otherwise described; the **Actual Cash Value** of the property at the time the loss or damage occurs.

XI. Terms and Conditions

- A. Assistance and Cooperation of the **Covered Party**. In case of loss or claim, the **Covered Party** shall cooperate with the Authority, and, upon the Authority's request, subject to reimbursement of reasonably incurred expense, shall attend hearings and trials and shall assist in effecting settlement, in securing and giving evidence, in obtaining the attendance of witnesses, and in conducting suits.

- B. **Misrepresentation and Fraud.** This entire Memorandum shall be void if, whether before or after a loss, the **Covered Party** has concealed or misrepresented any material fact or circumstance concerning this coverage or the subject thereof or any claim arising therefrom, or in case of any fraud, fraudulent act or fraudulent claim, and all claims hereunder shall be forfeited.
- C. **Notice of Loss and Proof of Loss.** The **Covered Party** shall as soon as practicable report in writing to the Authority every loss, damage or occurrence which may give rise to a claim under this Memorandum, and shall also file with the Authority, within ninety (90) days from date of discovery of such loss, damage or occurrence, a detailed, sworn Proof of Loss. The Proof of Loss shall contain information that states: 1) the time, place and cause of loss; 2) the interest of the **Covered Party** and of all others in the property, including, but not limited to, any liens or mortgages; 3) the amount of loss or damage, including specifications of damaged buildings and other property and detailed repair estimates as well as an itemized inventory of damaged **Personal Property**; 4) and all other insurance thereon.
- D. **Settlement of Loss.** All adjusted claims shall be paid or made good to the **Covered Party** within sixty (60) days after presentation and acceptance of satisfactory proof of interest and Proof of Loss at the office of the Authority. No claim shall be paid or made good, in whole or in part, to the extent that the **Covered Party** has collected the same, in whole or in part, from others.
- E. **Loss Payment.** Covered loss, if any, shall be adjusted with and payable to the **Covered Party** unless endorsed otherwise hereon. Receipt of payment by the **Covered Party** or other endorsed payee as provided under this Memorandum shall constitute a release in full of all liability under this Memorandum with respect to such loss. In the event that the Authority makes a partial payment or payments of loss, partial release of liability shall occur as to each such partial payment or payments, and release of liability in full shall occur upon final payment with respect to such loss.
- H. **Other Insurance.** When this coverage form and any other coverage form or policy covers a loss, the **authority's** coverage shall be excess over any other such insurance or coverage, whether primary, excess, contingent, or on any other basis; provided such other insurance or coverage is not written specifically to apply as excess over the coverage provided by this Memorandum.

When the coverage provided by this Memorandum is excess, the **authority** shall pay only its share of the loss, if any, that exceeds the sum of the total amount that all such other insurance or coverage forms would pay for the loss in the absence of the coverage provided by this Memorandum.

- I. **Appraisal.** If the **Covered Party** and the Authority fail to agree as to the amount of loss, each shall, on the written demand of either, made within sixty (60) days after receipt of Proof of Loss by the Authority, select a competent and disinterested appraiser. The appraisers shall first select a competent and disinterested umpire, and failing for fifteen (15) days to agree upon such umpire, then, on the request of either party, such umpire shall be selected by a judge of a court of record in the State in which such appraisal is pending. The appraisers shall then appraise the loss, stating separately and itemizing the amount of loss, including both the **Actual Cash Value** at the time of the loss and the cost to repair and replace. Failing to agree, the appraisers shall submit their differences to the umpire. An award in writing signed by any two shall determine the amount of loss. Each party will pay its own appraiser and bear the other expenses of the appraisal and the umpire equally. The Authority shall not be held to have waived any of its rights by any act relating to appraisal.
- J. **Exhibition of Property, Examination Under Oath and Inspection and Copying of Records.** The **Covered Party**, as often as may be reasonably required, shall exhibit to any person designated by the Authority all that remains of any property herein described or for which a claim has been made, and shall submit, and insofar as is within its power, cause its officers, directors, managers, employees and agents to submit to examinations under oath by any person named by the Authority and subscribe the

same; and, as often as may be reasonably required, shall produce for examination all original writings, records, documents, books of account, bills, vouchers, or certified copies thereof if originals are lost, at such reasonable time and place as may be designated by the Authority or its representative, and shall permit extracts and copies thereof to be made. Each such examination under oath may be recorded or memorialized by the entity issuing this Memorandum through use of a certified shorthand reporter and/or certified videographer, and each such examination under oath shall take place out of the presence of any witness in any other examination under oath. No such exhibition of property or examination under oath or examination of books or documents, nor any other act of the Authority or any of its employees or representatives in connection with the investigation of any loss or claim hereunder, shall be deemed a waiver of any defense which the Authority might otherwise have with respect to any loss or claim, but all such exhibitions, examinations and acts shall be deemed to have been made or done without prejudice to the Authority's liability.

- K. No Benefit to Bailee. The coverage under this Memorandum shall in no way inure directly or indirectly to the benefit of any carrier or other bailee.
- L. Subrogation or Loan. If, in the event of loss or damage, the **Covered Party** shall acquire any right of action against any individual or entity, for loss of or damage to property covered hereunder, the **Covered Party** will, if requested by the Authority, assign and transfer such claim or right of action to the Authority or, at the Authority's option, execute and deliver to the Authority the customary form loan receipt upon receiving an advance of funds in respect of the loss or damage, and will subrogate the Authority to, or will hold in trust for the Authority, all such rights of action to the extent of the amount paid or advanced, and will permit suit to be brought in the **Covered Party's** name under the direction of and at the expense of the Authority.
- M. Machinery. In case of loss or damage by a peril insured against to any part of a machine or unit held either for sale or use consisting of two or more parts when complete, liability under this Memorandum shall be limited to the value of the part or parts lost or damaged or, at the **Covered Party's** option, to the cost and expense of replacing or duplicating the lost or damaged part or parts or of repairing the machine or unit provided that such option shall not exceed the lowest of the above.
- N. Pair, Set, or Parts. In the event of loss or damage to:
 - 1. Any article or articles which are a part of a pair or set, the measure of loss or damage to such article or articles shall be a reasonable and fair proportion of the total value of the pair or set, giving consideration to the importance of said article or articles, but in no event shall such loss or damage be construed to mean total loss of the pair or set; or
 - 2. Any part of property covered consisting, when complete for use, of several parts, the Authority shall only be liable for the value of the part lost or damaged.
- O. Inspection and Audit. The Authority shall be permitted but not obligated to inspect the **Covered Party's** property at any time. Neither the Authority's right to make inspection, nor the making thereof, nor any report thereon, shall constitute an undertaking, on behalf of or for the benefit of the **Covered Party** or others, to determine or warrant that such property is safe.

The Authority may examine and audit the **Covered Party's** books and records at any time during the period this Memorandum is in effect, and within three years after the final termination of this Memorandum, as far as it relates to the subject matter of this Memorandum, including any claim arising therefrom.

- P. Vacancy and/or Unoccupancy. Unless otherwise endorsed hereto, the Authority shall not be liable for loss or damage to any property that has remained vacant or unoccupied for a period of sixty (60) or more days.

- Q. Right to modify. The Authority reserves the right to revise, update and/or modify the terms and conditions of this Memorandum from time to time and throughout the term of the **coverage period** as may seem necessary and reasonable to the Authority due to an amendment to or repeal of any of the provisions of law referred to herein or for any other reason. When it shall do so, the Authority shall provide appropriate notification to members through appropriate bulletins and/or memoranda outlining the changes.

Endorsement No.: 1

The following districts/entities are considered Covered Parties pursuant to the Declarations and are hereby afforded coverage under the Memorandum of Coverage SPP 7123 24

Fresno (1)

Caruthers Unified

Inyo (8)

Big Pine Unified

Bishop Unified

Bishop Joint Union High

Death Valley Unified

Inyo County Career Technical
Education Program JPA

Inyo County Office of Education

Lone Pine Unified

Owens Valley Unified

Round Valley Jt. Elementary

Kern County (45)

Arvin Union

Bakersfield City

Beardsley

Blake

Buttonwillow Union

Caliente Union

Delano Union Elementary

Delano Joint Union High

Di Giorgio

Edison

El Tejon Unified

Elk Hills

Fairfax

Fruitvale

General Shafter

Greenfield Union

Kern County Supt. of Schools

Kernville Union

Lakeside

Lamont

Linns Valley-Poso Flat Union

Lost Hills Union

Maple

Maricopa Unified

McFarland Unified

McKittrick

Midway

Mojave Unified

Muroc Unified

Norris

Panama-Buena Vista Union

Pond Union

Richland

Rio Bravo-Greeley Union

Rosedale Union

Semitropic

Sierra Sands Unified

South Fork Union

Standard

Taft City Elementary

Taft Union High

Tehachapi Unified

Vineland

Wasco Union Elementary

Wasco Union High

Kings (3)

Central Union

Pioneer Union Elementary

Reef-Sunset Unified

Los Angeles (6)

Antelope Valley Union High

Antelope Valley SELPA

Palmdale Academy Charter HS

Palmdale School Districts

Westside Union

Wilsona School District

Madera (2)

Chowchilla Elementary

Madera COE

Merced (8)

Delhi

McSwain Union

Merced County Office of
Education

Merced Co. Schools Ins. Group
(MCSIG)

Merced Union High

Merced River Union Elem.

Weaver Union

Winton

Mono County (3)

Eastern Sierra Unified

Mammoth Unified

Mono COE

Riverside (1)

Lake Elsinore

San Bernardino (2)

Trona Unified

Upland Unified

San Luis Obispo (14)

Atascadero Unified

Bellevue-Santa Fe Charter

Cayucos

Coast Unified

Grizzly Challenge Charter

Lucia Mar Unified

Northern SIPE

Paso Robles Joint Unified

Pleasant Valley

San Luis Coastal Unified

San Luis Obispo COE

San Miguel Joint Union

Shandon Unified

Templeton Unified

Santa Barbara (24)

Ballard

Blochman Union

Buellton Union

Carpinteria Unified

Cold Spring

College Elementary

Cuyama Joint Unified

Goleta Union

Guadalupe Union

Hope

Los Olivos

Montecito Union

Orcutt Union

Santa Barbara CEO

Santa Barbara USD

Santa Barbara SELPA

Santa Maria Jt. Union High

Santa Maria-Bonita

Santa Ynez Valley Charter Sch.

Santa Ynez Valley Special Ed.

Consortium

Santa Ynez Valley High

Solvang

Southern SIPE

Vista Del Mar

San Joaquin (1)

New Jerusalem School District

Tulare County (1)

Tulare COE

Tuolumne JPA (21)

Alpine COE

Alpine Co. Unified SD

Amador COE

Amador Co. Unified SD

Bellevue SD

Big Oak Flat-Groveland USD

Bret Harte Union HSD

Calaveras COE

Calaveras Unified SD

Columbia Union SD

Curtis Creek Elementary SD

Jamestown Elementary SD

Mark Twain Union Elem. SD

Sonora Elementary SD

Sonora Union HSD

Soulsbyville Elementary SD

Summerville Elementary SD

Summerville Union HSD

Tuolumne Co. Supt. of Schools

Twain Harte SD

Vallecito Union SD

All Counties (1)

California Association of School
Transportation Officials
(CASTO)

Endorsement No.: 2

This endorsement changes the Memorandum of Coverage SPP 7123 24
Please Read This Carefully

Communication Systems Endorsement

This endorsement modifies the Memorandum of Coverage under Part II. INTEREST AND PROPERTY NOT COVERED, Exclusion L.

Radio, television, satellite, or data transmission systems are hereby added to this Memorandum if reported to the Authority and included on the Communication Systems schedule.

The coverage provided herein shall be subject to all other exclusions, limitations, and conditions contained in the Memorandum.

The Authority shall not be liable under this Memorandum for more than the following limits for loss or damage arising from any one loss or disaster:

\$250,000 Blanket limit

Endorsement No.: 3

This endorsement changes the Memorandum of Coverage SPP 7123 24
Please Read This Carefully

Artificial Turf and Artificial Turf Fields

This endorsement modifies the Memorandum of Coverage under Part II. INTEREST AND PROPERTY NOT COVERED, Exclusion O.

Artificial turf and artificial turf fields unless specifically added by endorsement.

The coverage provided herein shall be subject to all other exclusions, limitations, and conditions contained in the Memorandum.

The Authority shall not be liable under this Memorandum for more than the following limits for loss or damage arising from any one loss or disaster:

- A. Square footage of Artificial Turf or Artificial Turf Fields Covered: _____; at
- B. Replacement Value: \$12 per square foot.

9168834.1

STOPit Anonymous Reporting & Crisis Text Line Training



Presented by SISC Property & Liability Division

Description

This presentation will focus on the STOPit Anonymous Reporting System and Safety Program that teaches how to identify and get help for individuals displaying violent, unsafe or harmful behaviors. STOPit is available as a mobile app, web app and Hotline that provides a safe and comfortable way for students to share information anonymously with administration in real time. Attendees will learn how the two way communication works, 24/7 monitoring of incidents by STOPit administration and report options.

A new feature for SISC member districts will be the Crisis Text Line feature, included with the app. This feature provides a live, trained Crisis Counselor that receives the text and responds, all from a secured online platform.

Audience

Intended audience is superintendents, chief business officials, principals, assistant principals, counselors and campus supervisors.

Date & Time

9:30 am - 11:30 am

Tuesday, August 8, 2023

Location

Larry E. Reider Education Center,
Room 101- 2000 K Street, Bakersfield

To Register

<http://kern.k12oms.org/1720-237383>

Please direct any additional questions about this training to Kerri Jones at kejones@siscschools.org or 661-636-4376

An anonymous report was made by a student that was contemplating suicide due to relentless bullying. The district and STOPit's 24/7 monitoring agents were able to get the student the help they needed.

A school received an anonymous report via the mobile app about a child's behavior. Police were involved and arrived at a student's home to find weapons and an attack plan. That student received psychiatric care and the school never experienced a catastrophe.

Through the STOPit app, students anonymously reported a coach who had been sexually molesting students. Through the anonymous two-way messaging, administration was able to ask for more information, solidifying proof and alerting police. The coach was caught and prosecuted.



SISC

Self-Insured Schools of California
Schools Helping Schools

Property & Liability Division

June, 2023
Volume 3, Issue 2

Quarterly Update

CERTIFICATES OF COVERAGE

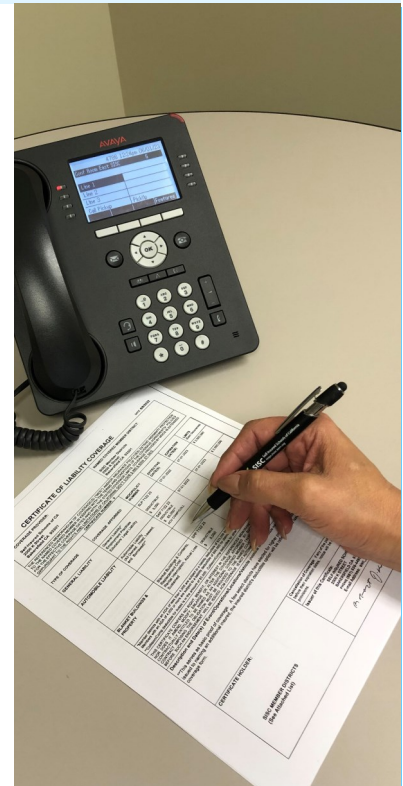
SISC Property & Liability frequently receives requests for Certificates of Coverage also referred to as Certificates of Liability Insurance. Usually, this takes place when a member agency (school district or county office of education) needs to name an entity as an additional insured in order to fulfill the terms of an agreement or contract.

When additional insured status is requested, often other questions arise. In order for SISC to name a party to the agreement as an additional insured, it is necessary that this request be written into the agreement or contract. Typically, we will see such a request in the insurance section. When reviewing contracts, it is important for the member's representative to carefully review the insurance section and confirm whether the contracting party is seeking additional insured status. If so, it must be in writing as noted above.

As most of you know, SISC affords coverage to our members in the amount of \$2 million per occurrence. These self-insured monies through the SISC JPA largely fulfill the requirements of most of the requests we receive for Certificates of Liability Coverage. On occasion, the member is entering into an agreement or contract that specifies the need to provide evidence of coverage in excess of the \$2 million per occurrence. These requests are easily taken care of, as SISC purchases excess reinsurance that will be used to meet the requirements of these agreements or contracts as well.

Members can visit our website <https://sisc.kern.org/pl/informational memos/> to read more about specific information needed from vendors when entering into contracts. A good discussion on these requirements can be found in the informational memo entitled Insurance Requirements for Contracts. The significance of additional insured status is also discussed.

Effective July 1, 2023, SISC will be utilizing the services of Walter Mortensen Insurance/Insurica, in order to facilitate the issuance of Certificates of Coverage. A memo will be forthcoming via U.S. Mail regarding this new process. Be sure to check the SISC Property & Liability website after July 1, 2023, to learn more. Members can go to the Proof of Coverage page <https://sisc.kern.org/pl/proof-of-insurance/> where the Certificate Request will appear as a new on-line form.



INSIDE THIS ISSUE

Covered Auto COI.....	2
Personnel Profiles	3
SB 906	4
Tackle Football	5
From the Director	6
RM Training	6

PROPERTY & LIABILITY DIVISION

Mailing:

P.O. Box 1847
Bakersfield, CA 93303

Physical:

2000 K Street
Bakersfield, CA 93301

Phone: 661-636-4495

Newsletter Editor: Kerri Jones

Maintaining District Contacts

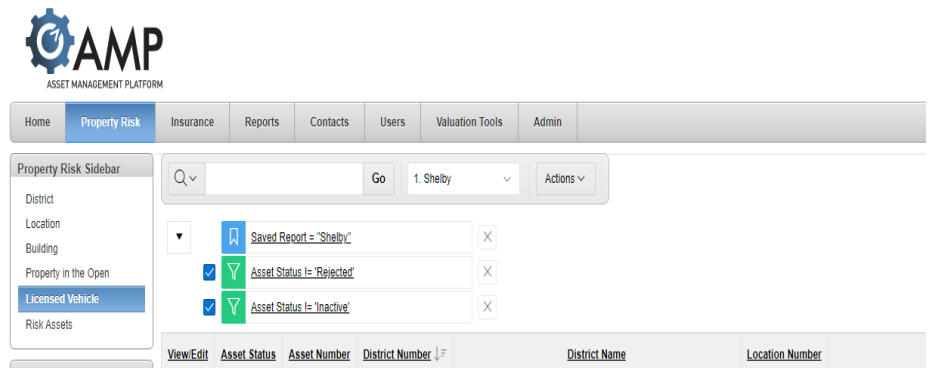
Communicating with our member districts is a top priority for SISC. Communicating items such as coverage summary memos; Memorandums of Coverage (MOC); insurance and school industry updates and memos; and information of training opportunities are types of information important to share with our members. In that effort, we strive to maintain current contact information for our district administrative contacts.

If you have changes in administrative staffing, e-mail addresses, phone numbers or mailing addresses for your district, please e-mail Lilia Beck, Administrative Secretary at libeck@siscschools.org

AUTO CERTIFICATES OF INSURANCE

As the fiscal year is drawing to a close, it's the perfect time to do a final check on your vehicle inventory. Self-Insured Schools of California utilizes a third-party platform for our vehicle database. All of our member districts are given access to update and modify vehicles as needed. The 2023-2024 policies are active and the certificates of insurance are ready to print in [AMP](#). You can also access the link from our SISC Property & Liability webpage.

Once a user is logged in, the district inventory can be accessed by selecting **Property Risk** and then **Licensed Vehicle**. This will show all active vehicles on the policy.



In the case that a single vehicle's certificate needs to be printed, select the pencil icon next to the vehicle number in your district's inventory. Scroll down to **Insurance Policies** towards the bottom of the screen. Click on the drop-down arrow and select the paper icon under **print COI**. Make sure to pick the active policy that has 23-24 in the title. This will provide a PDF of the certificate.

Certificates of insurance can be printed for the entire fleet by clicking on the insurance tab on the top toolbar. There will be two active policies. Select the SAP123 24 for the upcoming policy year. Once selected, a task menu will appear on the left side. Click on **Print Certificates of Insurance** to access all certificates in a single PDF document.

If you have had a change in staff or responsibilities, please click on this [link](#) to access the contact sheet for a new user setup request.

(You can also access this information from our SISC Property & Liability webpage. We're happy to assist in getting your staff familiar with the system and able to access documentation as needed.



INTRODUCING DEBORAH JACKSON

Deborah Jackson is a Claims Examiner I with SISC Student Accident coverage. In this role, she is responsible for acting as a liaison to Property & Liability to help mitigate the possibility of a student injury claim proceeding to a litigation claim. Student injuries can consist of, but are not limited to, injuries related to sports, playgrounds, classrooms, field trips, assaults and mental health. Deborah acts as a bridge in providing assistance to participating member districts, providers, and parents of the injured student. She is responsible for processing claims, contacting member districts and parents to determine eligibility of a claim, as well as prepare correspondence, claims material and track claims for districts involved in the Excess Insurance Program. Deborah also calculates benefits when Student Insurance, Tackle Football, Supplemental and Kern Community College District insurance programs are secondary payers.



Deborah joined the Kern County Superintendent of Schools Office in the department of Community Connection for Child Care in 1999. She joined SISC-Flex Program in 2007 and when this department was outsourced she came to work for SISC Student Insurance in 2016. Deborah has continually strived to keep an open rapport with claimants, districts and providers while processing student insurance claims.

Deborah graduated in 2000 with a A.S. in Agriculture and A.A. in Communications from Bakersfield College and in 2016 with a B.A. in Public Policy Administration from California State University, Bakersfield. In her spare time Deborah enjoys spending time with family and friends as well as helping the community that she grew up in by handing out commodities and participating in meetings fighting for clean water. Deborah grew up watching her mom delve into multiple organizations fighting for clean water and helping the less fortunate in the Central Valley, and she hopes to continue this legacy.

Property & Liability Division

Robert Kretzmer, Director
661-636-4709

Tyrone Taylor, Coordinator
661-636-4601

Lilia Beck, Administrative Secretary
661-636-4495

Ryan Bourget, Adjuster
661-636-4606

Roxann Dailey-Webb, Adjuster
661-636-4848

Hilda Hankins, Adjuster
661-636-4694

Pat Tumbarello, Adjuster
805-929-5950

Shelby Gonzales,
Safety & Loss Control
661-636-4604

Kerri Jones,
Safety & Loss Control
661-636-4376

Randy Rogers,
Safety & Loss Control
661-636-4607

Debbie Jackson,
Student Insurance
661-636-4206

Elsa Lara,
Student Insurance
661-636-4736

Jahna Lewis,
Student Insurance
661-636-4871

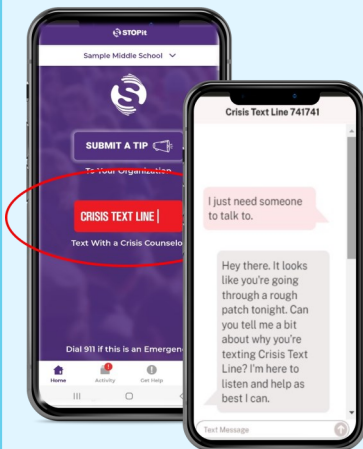
Sabrina Moten,
Student Insurance
661-636-4414

Crisis Text Line

As you may be aware, a value added service available to SISC member districts includes the STOPit anonymous reporting app. A new benefit to districts using the STOPit app is the addition of the Crisis Text Line or CTL. This resource is available through the application, on the main screen.

CTL functions much like the anonymous report tip feature. Students and staff can reach out for help and communicate anonymously with a crisis counselor any time of day, seven days a week. The interactions may be a listening ear or referral to a resource that can provide immediate help. CTL is staffed by live, trained mental health counselors.

If your district is interested in learning more about the STOPit application and the CTL resource, contact Kerri Jones at ke-jones@siscschools.org



NEW BILL TO ENHANCE SCHOOL SAFETY

Summer is a time for districts to reset. This may include reviewing the past school year successes and challenges, what changes are needed and what new resources are available. In addition, there may be legislative requirements that are necessary with the new school year. This is the case with SB 906 School Safety.



SB 906 was signed by the Governor in July 2022 and requires districts to implement with the 2023-24 school year. Key components of this bill include:

- Using model content developed by the State Department of Education, inform parents/guardians annually of California's child access prevention laws and laws related to the safe storage of firearms. This requirement is for grades 1 to 12.
- A school official who is alerted to or observes any threat or perceived threat, to immediately report to law enforcement. Report should include any documents or evidence associated with the threat. This requirement is specified for grades 6 to 12.
- Law enforcement or school site police to conduct an investigation and assessment to include a review of Department of Justice firearm registry and if a justified by a reasonable suspicion that would produce evidence related to the threat, conduct a schoolsite search for evidence related to the threat. The bill includes language that a LEA is immune from civil liability for any damages allegedly caused by, arising out of, or relating to the investigation and threat assessment.

Districts are encouraged to read the bill in entirety and work with their legal counsel to comply with SB 906. The bill can be accessed [Bill Text - SB-906 School safety: homicide threats. \(ca.gov\)](https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB906) or enter in your search engine

https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB906

TACKLE FOOTBALL & CONCUSSION INSURANCE COVERAGE

After a long delay due to COVID-19, high school interscholastic tackle football games are allowed in many areas. SISC's Student Accident Division has the program available for your athletes who desire to participate.

Per Education Code section 32221, the governing boards of each school district in the State of California are obligated to provide each member of an athletic team insurance protection for medical and hospital expenses. SISC Tackle Football coverage fulfills this requirement and coverage is available to all athletes, even if covered under other medical insurance. This policy provides coverage for accidental injuries while participating in any regularly scheduled high school football game or supervised practice. Please remember, any injuries sustained while participating in tackle football are not a covered benefit under the regular SISC Student Accident Coverage plan.

Under the SISC Tackle Football coverage, athletes are covered the moment your school site receives the payment or when SISC receives the payment in our office from the athlete. The coverage is in effect until the end of the school year for a one-time payment of \$60.00. Brochures, which include the application and coverage information, are available on our website or you can contact our office and we will mail them to designated school personnel. The major benefits of the SISC Tackle Football Program are:

- ◆ \$15,000 benefit (paid according to the schedule of benefits)
- ◆ \$60.00 annual premium

Our member districts should also know that in the event of a concussion, SISC has partnered with the HeadStrong Concussion Insurance Program. All SISC member districts contribute to the cost of this program. HeadStrong Concussion Insurance was developed to insure student athletes from the high cost of concussion treatment and neurological follow up that may be required after a suspected concussion. All high school athletes participating in an interscholastic sport are covered under the HeadStrong Concussion Insurance Program that offers \$25,000.00 in benefits. The HeadStrong policy is triggered after exhaustion of benefits under the regular Student Accident Insurance program or after exhaustion of benefits under the SISC Tackle Football coverage. HeadStrong is secondary/excess coverage and becomes primary if there is no other primary insurance available. If your district staff has any additional questions or concerns, please feel free to contact Elsa Lara at 661-636-4736. Our brochure is available on the forms page of our website at <https://sisc.kern.org/pl/>



New Training Options through SISC

We are adding a valuable tool to our Safety and Loss Control training resources. Vector Solutions Online Training Management System has recently expanded their training library to deliver high-quality, expert-authored courses on important safety and compliance topics.

Our Safety and Loss Control Specialists will use this tool to help our member districts comply with important state and federal training requirements.

Our subscription to this service includes courses specifically designed for K-12 school staff. These courses are written by K-12 experts with an in-depth understanding of the issues affecting schools today. School-based scenarios make the training relevant.

Many of the training modules include engaging video segments to enhance and update our current training materials. We can provide these courses to district personnel in person or as virtual training through WebEx.

We will be providing more information regarding course offerings after our subscription to this service is activated in July.

SISC Podcasts

As you may be aware, SISC has a podcast series that offers insight and discussions with industry leaders on topics that impact local school districts.

In our latest episode, Property & Liability Director Robert Kretzmer sits down with David George, CEO of Schools Excess Liability Fund (SELF). George has over 30 years of insurance experience in claims and risk management in the public sector. This episode focuses on the mission and structure of SELF, and how they are managing the reinsurance dilemma.

As one of the Excess carriers for SISC Property & Liability coverage, we think you will find this podcast episode informative.

Check out our other podcast episodes that include topics on:

- Fentanyl
- Mitigating fire and water damage
- Impact of large liability claims in California
- STOPit Anonymous reporting app
- Court Cases impacting school districts
- Overview of how SISC determines property & liability premiums
- Understanding Government Code

FROM THE DIRECTOR

As our member agencies continue to navigate through post-pandemic issues, there is another area of concern that SISC is closely monitoring. Changing weather patterns present new challenges for public entities including school districts throughout the State of California.

SISC, through its association with the California Association of Joint Powers Authorities (CAJPA), participates in the development of educational programs through the CAJPA Litigation Insurance Tort Liability (LITL) Committee. The July 19, 2023, webinar being offered by CAJPA will feature Ryan Telford, Executive Vice President of AMWINS. As a wholesale insurance broker, Telford's role with the SISC program is to seek out excess property coverages for the JPA and keep us advised of market challenges and trends. Telford's presentation will focus on a market overview for the property insurance industry that has been impacted by changing weather patterns. In addition, Telford will be joined by a weather expert who advises the insurance industry and an adjuster who handles large catastrophic weather related insurance claims for public entities. Anyone interested in registering for the webinar can go to <https://www.cajpa.org/events/EventDetails.aspx?id=1756717>

In addition, we encourage our members to be on the lookout for an upcoming announcement concerning STOPit. As many of you know, STOPit serves as our online anonymous reporting provider. The presentation from STOPit is scheduled for Tuesday, August 8, 2023. An introduction to the new feature added to the STOPit program for 2023, the Crisis Text Line, will be made.

We hope that the remainder of your summer is safe and successful. SISC looks forward to serving you in the new fiscal year for 2023/2024 under the leadership of our new Chief Executive Officer, Dr. David Ostash.

RISK MANAGEMENT TRAINING

As many of you know, SISC re-joined the Schools Excess Liability Fund (SELF) effective July 1, 2022. We are continuing to enjoy an excellent partnership with SELF.

Recently, we became aware of a course offering from SELF, known as the Risk Management Practitioner Certificate Program. This five-course program will be offered through the late summer, fall and early winter of 2023. Only 30 spots are available for registrants so it is important to act quickly if interested.

The course will cover the basics of public sector exposures, insurance administration and risk transfer, safety and loss control, workers' compensation and disability management. For those who are new to the role as risk manager with your entity, this information is critical to your understanding of the foundational principles associated with your position. The good news is that SELF will be paying the cost of tuition for all 30 registrants accepted!

SELF is asking that each registrant accepted, commit to two-hours of self-paced learning for each class and attend all five of the 90-minute virtual trainings being presented, in order to earn your RMP certificate.

The world of risk management and safety and loss control can be challenging as well as confusing to even the more experienced loss control professional. We at SISC appreciate the challenges faced by newcomers to the self-insured and insurance industry. We encourage anyone interested to consider submitting an application. In the event registration fills prior to your application being submitted, it is our understanding you will be placed on the waiting list for future sessions. *Please note the deadline for registration is July 10, 2023.*

The short online application for the program can be completed by going to <https://www.selfjpa.org/risk-mgmt-prac-cert-pgm>