



DIPLOMA JOINT INSURANCE FUND  
Risk and Loss Managers, Inc., Administrator

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**M E M O R A N D U M** 

**TO:** Risk Management Consultants  
**FROM:** Risk and Loss Managers, Inc. - Craig Klein  
**RE:** **2024/2025 New Business Applications**

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The materials enclosed are to assist you when soliciting new members.

To receive a proposal for a new member, please submit the following:

1. **New Business Application;**  
**Required: Include the location address where buses are stored when not in use on the automobile schedule in your submission**
2. **Appraisal** (most recent & must include all COPE data);
3. **Statement of Values;**
4. **Ten (10) years of Loss History in excel format**, (fund years 2013/2014 through 2023/2024 valued no earlier than 12/31/23); and
5. For a **School Leaders Professional Liability** proposal: submit the current carrier’s application or complete the enclosed SLPL application.

If a school district elects to join the fund, membership documents (resolution to join, indemnity and trust agreement & risk management consultant appointment resolution) are required.

Every attempt to meet your requested proposal deadline will be made. Please note, however, that we will not quote any new business until after the **May 9, 2024 Board of Trustees’ meeting** as this is when the budget for existing Diploma Joint Insurance Fund members will be introduced.

If you have any questions, please contact our office.

***Please Note: Incomplete submissions will not be reviewed.***



# Fund Year 2024/2025 New Business Application

Name of Entity: \_\_\_\_\_

Contact Person: \_\_\_\_\_ FEIN #: \_\_\_\_\_

District website: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Risk Management Consultant: \_\_\_\_\_

Risk Management Consultant Contact/Email: \_\_\_\_\_

Total Number of Employees: \_\_\_\_\_ Full Time: \_\_\_\_\_ Part Time: \_\_\_\_\_

Aides \_\_\_\_\_ Drivers \_\_\_\_\_ Custodial/Maintenance \_\_\_\_\_

Food Service \_\_\_\_\_ Other \_\_\_\_\_

**Workers' Compensation:** Please complete and submit the enclosed worker's compensation worksheet with ten (10) years of **detailed loss history (fund years 2013/2014 through 2023/2024)** (preferably in excel format) **valued no earlier than 12/31/2023**. *Applicants for workers' compensation coverage will automatically receive a proposal for supplemental indemnity coverage.*

**Package (Includes Boiler and Machinery, General and Auto Liability, Property/Auto Physical Damage, Environmental Impairment Liability and Crime Coverage):** Please complete and submit this application in its entirety with ten (10) years of **detailed loss history (fund years 2013/2014 through 2023/2024)** (preferably in excel format) **valued no earlier than 12/31/2023**.

Property Deductible: \$5,000 (minimum)  
Physical Damage Deductible: \$1,000 (minimum)

**Expiring Premiums**

Auto Liability: \_\_\_\_\_ Auto Physical Damage: \_\_\_\_\_

Boiler & Machinery: \_\_\_\_\_ Crime: \_\_\_\_\_

Environmental Liability: \_\_\_\_\_ Excess: \_\_\_\_\_ Floater(s): \_\_\_\_\_

General Liability: \_\_\_\_\_ Property: \_\_\_\_\_

School Leaders Prof. Liability: \_\_\_\_\_ Worker's Compensation: \_\_\_\_\_

**Excess Liability:** Expiring Limit: \_\_\_\_\_

Excess Limit Requested:           **\$5M**           **\$10M**

Lines Requested for Excess:                   **AL/GL/SLPL**           **AL/GL Only**

**General Liability:** Please be advised that Diploma JIF utilizes the latest fall enrollment report available from the NJDOE website for rating basis.

Please provide the following if applicable:

1. Describe any specialized vocational classes (i.e. automotive, nursing, cosmetology, etc.) and number of participants for each:

2. Describe driver education courses offered:

3. Does school use, have or provide lessons for aircraft or watercraft? \* Yes No

Number of Aircraft and/or Drones: \_\_\_\_\_

Number of Watercraft: \_\_\_\_\_

If yes, explain:

\*A supplemental application may be required

4. Check all athletic programs sponsored by the school district:

	Yes		Yes		Yes
Baseball		Football		Softball	
Basketball		Golf		Soccer	
Cheerleading		Gymnastics		Swimming	
Crew		Ice Hockey		Tennis	
Cross Country		Lacrosse		Track & Field	
Diving		Riflery		Volleyball	
Fencing		Rugby		Other	
Field Hockey		Skiing			

5. Does this district utilize Bleachers or Grandstands? Yes No

If yes, complete below:

	Yes	Number	Construction Material	Capacity
Stadium w/Bleachers				
Additional Bleachers				

6. Does the applicant have Swimming Pools? Yes No

If yes, Number: \_\_\_\_\_ Depths: \_\_\_\_\_ No. & Height of Diving Boards: \_\_\_\_\_

Number of Lifeguards: \_\_\_\_\_ Beaches or Lakes: \_\_\_\_\_

7. Are trampolines used? Yes No

If yes, give number and describe supervision:

8. Are firearms or archery equipment used on premises?  Yes  No  
 If yes, explain:
9. Does the district utilize Security Guards?  Yes  No  
 Contracted? If yes, Number of contracted guards: \_\_\_\_\_  Yes  No  
 If District employees:  
 Armed? If yes, Number of armed guards: \_\_\_\_\_  Yes  No  
 If Armed, prior law enforcement experience?  Yes  No
10. Is a Certificate of Insurance required when facilities are used by outside groups?  Yes  No  
 If yes, state minimum limits required: \_\_\_\_\_  
 If no, explain:
11. Does the entity provide Day Care services?  Yes  No  
 If yes, number of locations \_\_\_\_\_ Number of children \_\_\_\_\_  
 Number of employees \_\_\_\_\_ Number of supervisors \_\_\_\_\_
12. How many nurses are employed by the school district? \_\_\_\_\_
13. How many athletic training personnel are employed by the district? \_\_\_\_\_
14. Do all underground storage tanks comply with State and Federal law?  Yes  No  
 If no, explain:
15. Is the applicant in compliance with State and Federal asbestos standards?  Yes  No  
 Comments:
16. Is there any pending environmental litigation? If so, please briefly describe:
17. Is there a confidence (obstacle) course on the applicant's premises?  Yes  No  
 If yes, explain:
18. Describe measures taken for school security:
19. Does applicant operate a radio station?  Yes  No
20. Provide a list of publishing activities:

## **Property**

Provide the most recent appraisal and a statement of values, including the following:

- Date Built
- Construction Type (see descriptions provided)
- Number of Stories
- Sprinkler System (see descriptions provided)
- Square Footage
- Alarm System (see descriptions provided)
- For anything built prior to 1979 and valued over \$2,500,000 please provide the following on the Statement of Values: Date last updated for the Electrical, HVAC and Roof.
- Builders' Risk

**Construction Type:** Use one of the six definitions listed below.

### **Frame:**

Buildings where the exterior walls and roof are wood or other combustible materials, including construction where combustible materials are combined with other materials (such as brick veneer, stone veneer, wood iron-clad, stucco on wood).

### **Joisted Masonry:**

Buildings where the exterior walls are constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone tile or similar materials, and where the floors and roof are wood or other combustible materials (disregarding floors resting directly on the ground).

### **Non-Combustible:**

Buildings where the exterior walls and the floors and roof are constructed of, and supported by metal, asbestos, gypsum, or other non-combustible materials.

### **Masonry Non-Combustible:**

Buildings where the exterior walls are constructed of masonry materials, as described in Joisted Masonry above, with the floors and roof of metal or other non-combustible materials.

### **Modified Fire Resistive:**

Buildings where the exterior walls and the floors and roof are constructed of masonry or fire resistive material with a fire resistance rating of one hour or more but less than two hours.

### **Fire Resistive:**

Buildings where the exterior walls and floors and roof are constructed of masonry or fire resistive materials having a fire resistance rating of not less than two hours.

**Sprinkler System:** Use one of the following three choices listed below.

- Full
- Partial (%)
- None

**Alarm System:** Use one of the following three choices listed below.

- Burglary
- Fire
- High/Low Temperature

Please provide the following if applicable:

21. Has a recent appraisal been completed? Yes No  
Date Completed: \_\_\_\_\_
22. To what extent has the fire protection been improved beyond the existing public protection (i.e. sprinklers, detection)? Explain:
23. If sprinkler system present, list type and latest flow test results:
24. Has the applicant ever been cited for violation of building codes? Yes No  
If yes, explain:
25. Are any school buildings now, or scheduled to be, vacant? Yes No  
If yes, explain:
26. Is there any woodworking or spray painting done on the premises? Yes No  
If yes, explain:
27. What are the number of cafeterias operated by the district? \_\_\_\_\_  
What are the total gross receipts? \_\_\_\_\_

**Equipment:** Please attach a schedule of equipment including values.

**Auto Liability:**

**Please Note: Include the location address where buses are stored when not in use on the automobile schedule you include with your submission.**

Classifications:

- Group I - private passenger vehicles valued under \$40,000.
- Group II - 1-20 passenger vehicles and/or vehicles valued over \$40,000.
- Group III - 20 + passenger vehicles and/or vehicles valued over \$60,000.

28. Are the driving records (i.e. M.V.R.'s) checked on all persons permitted to drive district vehicles? Yes No  
If no, explain:

**Questions 29-31 apply only if applicant owns or leases buses.**

29. Are buses parked in a secure well-lit area? Yes No  
If no, explain:
30. Are buses used for student trips? Yes No  
If yes, explain:
31. Are buses used for non-student or livery activities? Yes No  
If yes, explain:
32. Are driver education vehicles equipped with dual controls? Yes No

**Environmental Liability:** If applicable, complete and submit the enclosed environmental liability application with the district's current policy and ten (10) years of detailed loss history (*fund years 2013/2014 through 2023/2024*) (preferably in excel format) **valued no earlier than 12/31/2023.**

*\*Please note: only applicants that elect the package coverage are eligible for the Environmental Liability Coverage.*

**School Leaders Professional Liability:** Submit the current carrier's application or complete and submit the enclosed school leaders professional liability application with ten (10) years of detailed loss history (*fund years 2013/2014 through 2023/2024*) (preferably in excel format) **valued no earlier than 12/31/2023.**

*\*Please note: an original signed school board legal liability application will need to be submitted in order to bind coverage.*

# Diploma Joint Insurance Fund Safety Questionnaire

District: \_\_\_\_\_

Does your district have a designated safety coordinator? Yes  No

If yes, please complete the following:

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Email: \_\_\_\_\_

Does your district have a written safety program or manual? Yes  No

*A written manual contains a generic safety policy and specific safety rules.*

Does your district conduct safety inspections of facilities? Yes  No

If yes, specify the frequency (daily, weekly, biweekly, other)? \_\_\_\_\_

*Inspections should be conducted to identify and correct unsafe conditions before they result in an accident or incident.*

Does your district conduct safety committee meetings? Yes  No

If yes, specify how often (weekly, monthly, other)? \_\_\_\_\_

*The committee should include a Safety Coordinator, a Department Head or Safety Delegate from each department.*

Does your district have a formal process for conducting hazard assessment? Yes  No

*A hazard assessment is an evaluation of a work place or work situation, as to the potential for hazards that an employee may encounter while performing the job.*

Does your district have a written training program? Yes  No

Are incident and/or accident reports routinely documented? Yes  No

If yes, who receives/reviews the reports? \_\_\_\_\_

Does your district have a return to work/light duty program? Yes  No

*An effective Return to Work Program can help manage cost and improve recovery after an injury has occurred.*

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date





# Sexual Abuse Supplemental Application

Underwriters will rely on all statements made in this application.

Applicant Name	
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1. Is a sexual abuse prevention program currently in effect and active?  Yes  No
2. **Are written policies clearly expressing management's commitment to sexual abuse prevention currently in place?**  Yes  No
3. Are sexual abuse prevention programs actively implemented and enforced throughout the organization?  Yes  No
4. Please provide the name and title of the individual responsible for the coordination of the sexual abuse prevention program:  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_
5. Do your procedures restrict the amount of one-on-one contact with minors, or require that more than one employee or volunteer is present at all times when a client or student is in your care?  Yes  No
6. Do your sexual abuse prevention programs include rules for conduct along with established disciplinary measures for non-compliance applicable to all employees, vendors and volunteers?  Yes  No
7. Are parents/custodians made aware of the child abuse program information and prevention policies and procedures?  Yes  No
8. Please identify which individuals in your organization receive sexual abuse awareness and prevention training:  

Management	Times per year:	_____
Staff	Times per year:	_____
Volunteers	Times per year:	_____
9. Please describe the type and extent of the training your new employees, vendors and volunteers receive:
10. What is your assessment of the effectiveness of your training program and what improvements do you believe to be necessary?
11. Are background checks conducted for prospective employees?  Yes  No  
If so, is documentation maintained in personnel files?  Yes  No
12. Are background checks conducted on vendors and volunteers who may have any contact with minors?  Yes  No  
If so, is documentation maintained in personnel files?  Yes  No

13. Please indicate if background checks include a review of:
- a. National or state sex offender hotlines  Yes  No
  - b. State Police Records  Yes  No
  - c. FBI Records  Yes  No
  - d. State Department of Social Services Records  Yes  No
  - e. Records on file with other similar public agencies  Yes  No
  - f. Personal References  Yes  No
  - g. Education Verification  Yes  No
  - h. Employment History Verification  Yes  No
14. In the past five years has any officer, employee or volunteer been terminated for cause related to sexually abusive behavior?  Yes  No  
If so, please provide detail on separate sheet.
15. Over the past five years, has any officer or employee been transferred or placed in a different position due to allegations of sexual abuse?  Yes  No  
If so, please detail:
16. Are clients or students in your care overnight?  Yes  No
17. Do policies and procedures include an incident reporting and follow-up mechanism?  Yes  No
18. Are incident reporting and follow up procedures related to allegations of potential sexual abuse documented and maintained in personnel or other files?  Yes  No
19. Does your organization have a mechanism in place to ensure that any allegations of potential sexual abuse can be reported anonymously and are employees, vendors, volunteers, clients and students instructed to report possible instances of sexual abuse?  Yes  No
20. Are there written procedures for investigating anonymous and confidential allegations; and is the person receiving these reports specifically trained in addressing sensitive claims?  Yes  No
21. Do you report known or suspected incidents of abuse to proper police authorities?  Yes  No

## Fraud Notices

NOTICE TO ALL APPLICANTS: Any person who knowingly, or knowingly assists another, files an application for insurance or claim containing any false, incomplete or misleading information for the purpose of defrauding or attempting to defraud an Insurance Company may be guilty of a crime and may be subject to criminal and civil penalties and loss of insurance benefits.

NOTICE TO NEW JERSEY APPLICANTS: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Declaration and Certification

ALL APPLICANTS MUST COMPLETE THIS SECTION.

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURANCE COMPANY THAT ALL STATEMENTS MADE IN THIS APPLICATION INCLUDING ATTACHMENTS, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. **THE APPLICANT'S ACCEPTANCE OF THE INSURANCE COMPANY'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.**

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON, FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS INFORMATION FOR THE PURPOSE OF MISLEADING, COMMITS A FRAUDULENT INSURANCE ACT. SUCH AN ACT IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

THE APPLICANT AGREES TO COOPERATE WITH THE COMPANY IN IMPLEMENTING AN ONGOING PROGRAM OF LOSS-CONTROL AND WILL ALLOW THE COMPANY TO REVIEW AND MONITOR SUCH PROGRAMS THAT THE APPLICANT UNDERTAKES IN MANAGING ITS TECHNOLOGY EXPOSURES.

Signature of Authorized Applicant:

Signature of Broker/Agent:

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Print Name:

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Print Name:

---

Title:

---

Date:

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Date:

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Signed by Licensed Resident Agent:

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(Where Required By Law)



# ARMED EMPLOYEE SUPPLEMENTAL LIABILITY APPLICATION

**This application will be attached to and become a part of the policy.**

## I. GENERAL INFORMATION

1. Name of entity to be insured: \_\_\_\_\_
2. Physical address: \_\_\_\_\_
3. Mailing address (if different): \_\_\_\_\_
4. City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
5. Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_ Phone: \_\_\_\_\_
6. E-mail Address: \_\_\_\_\_ Web Page Address: \_\_\_\_\_
7. Total number of armed employees: Full-time: \_\_\_\_\_ Part-time: \_\_\_\_\_
8. Are you a party to any Mutual Aid Agreements?  Yes  No; If yes, with whom? \_\_\_\_\_
9. Do you provide contracted services for any other entities?  Yes  No; If yes, with whom? \_\_\_\_\_

## II. INSURANCE INFORMATION

1. Please complete the following chart based on coverage currently in force. Please indicate where coverage is not in force.

	Policy Type	Policy Number	Company Name	Expiration	Limits	Deductible	Premium
a.	<b>Police Liability</b>						
b.	<b>Professional Liability</b>						
c.	<b>General Liability</b>						
d.	<b>GL/LE/PO Package</b>						

2. What type of Liability coverage do you currently have (if any)?  Occurrence  Claims-Made
3. If your current coverage is on a claims-made basis, what is the retroactive date? \_\_\_\_\_
4. Has your Liability coverage ever been denied, canceled or non-renewed?  Yes  No  
If so, please explain: \_\_\_\_\_

## III. HIRING AND TRAINING

- |   |   |
|---|---|
| <ol style="list-style-type: none"> <li>1. What are the minimum educational requirements for applicants?<br/>           High School Diploma or equivalent: <input type="checkbox"/> Yes <input type="checkbox"/> No<br/>           30 or more hours of college? <input type="checkbox"/> Yes <input type="checkbox"/> No<br/>           60 or more hours of college? <input type="checkbox"/> Yes <input type="checkbox"/> No<br/>           Bachelor's degree? <input type="checkbox"/> Yes <input type="checkbox"/> No</li> <li>2. Which of the following are included in your selection process prior to employment?<br/>           Written Exam? <input type="checkbox"/> Yes <input type="checkbox"/> No<br/>           Psychological Exam? <input type="checkbox"/> Yes <input type="checkbox"/> No<br/>           Professional psychological evaluation? <input type="checkbox"/> Yes <input type="checkbox"/> No<br/>           Background and employment investigation? <input type="checkbox"/> Yes <input type="checkbox"/> No</li> </ol> | <ol style="list-style-type: none"> <li>3. Do all armed employees meet State minimum standards for training and receive certification prior to assignment to duty? <input type="checkbox"/> Yes <input type="checkbox"/> No<br/><br/>If yes, how many hours of training? _____</li> <li>4. If the answer to #3 is "No", please explain. _____</li> </ol> |
|---|---|

<p>5. Do you follow written policies regarding in-service training or continuing education for all armed employees? <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span></p> <p><i>If yes, how many hours per year? _____</i></p>	<p>6. Is all employee training, both past and present, documented and kept on file? <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span></p>
<p>7. Does your agency have a Field Training Program for new employees? <span style="float: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</span></p> <p><i>If yes, how many weeks? _____</i></p>	<p>9. How often are armed employees certified for the following?</p> <p>Personal handgun:</p> <p style="text-align: right;"><input type="checkbox"/> annual <input type="checkbox"/> bi-annual <input type="checkbox"/> other</p>
<p>8. Are employees required to complete training in the use of:          Baton / PR-24 / ASP? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Authorized          Chemical irritants? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Authorized          Stun gun or Taser? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Authorized</p>	<p>Other, please describe:</p> <p style="text-align: right;"><input type="checkbox"/> annual <input type="checkbox"/> bi-annual <input type="checkbox"/> other</p>

**IV. POLICIES AND PROCEDURES**

1. Do you maintain a formal Policies and Procedures Manual?  Yes  No
2. Do all employees maintain their own copy?  Yes  No
3. Is every employee held accountable for knowing the contents of the manual?  Yes  No
4. When was your manual originally assembled? / /
5. When was your manual last updated? / /
6. Is your manual regularly reviewed by competent legal counsel?  Yes  No
7. By whom?
8. Do you have formal written policies and procedures pertaining to the following subjects: Last Update

Use of deadly force:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Use of non-deadly force:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Vehicle high-speed pursuit:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Domestic Violence:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Search and seizure:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Intoxicated arrestees:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Communicable diseases:	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____
Employee moonlighting	<input type="checkbox"/> Yes <input type="checkbox"/> No	_____

**V. LOSS HISTORY**

1. Has any claim been made or suit filed against the entity or any person in their capacity as an official or employee of the entity in the last four years? If yes, please attach a narrative summary with details and status.  Yes  No

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2. Does any official or employee have any knowledge of any fact, circumstance or situation which might reasonably be expected to give rise to a claim? If yes, please attach a narrative summary with details.  Yes  No

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3. With respect to your Liability coverage, please complete the following table using the total dollars expended for both the settlements of claims and the expenses associated with defending those claims. "Reserves" refers to the estimated future expenses to resolve or dispose of the claims and includes both settlement and defense expenses.

Year	Premium	Number of Claims	Total Loss Paid Including Deductible	Total Expenses Paid Including Deductible	Total Amount Reserved	Total Incurred Losses + Expenses

**VI. WARRANTY AND ATTESTATION**

**New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.**

The undersigned being authorized by, and acting on behalf of, the applicant and all persons or concerns seeking insurance, has read and understands this Application, and declares that all statements set forth herein are true, complete and accurate. The undersigned further declares and represents that any occurrence or event taking place prior to the inception of the policy applied for, which may render inaccurate, untrue or incomplete any statement made herein will immediately be reported in writing to the insurer. The undersigned acknowledges and agrees that the applicant's submission and Insurer's receipt of such written report, prior to the inception of the policy applied for, is a condition precedent to coverage.

The signing of this Application does not bind the undersigned to purchase the insurance, nor does review of the Application bind the insurance company to issue a policy. The applicant does hereby agree that this policy, if issued, is issued in reliance upon the truth of this application, including all requested attachments, which will be incorporated into and made a part of this policy.

\_\_\_\_\_  
**Applicant's Authorized Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Date**



# Public/Educational Entity Pollution Liability Insurance Policy

## Application

### Instructions:

- Please type or print clearly.
- Answer **ALL** questions completely, leaving no blanks. If any questions, or part thereof, do not apply, print "N/A" in the space.
- Provide any supporting information on a separate sheet using the applicant's letterhead and reference the applicable question number.
- Check Yes or No answers.
- This form must be completed, dated and signed by an authorized representative of the applicant.

### Required Attachments:

- Tank Inventory Lists (check here if not applicable)
- Locations Schedule

**NOTICE TO APPLICANT: The coverage applied for is solely as stated in the policy and any endorsement thereto. The policy provides liability coverage on a CLAIMS-MADE AND REPORTED basis, which covers only claims first made against an insured and reported to the Insurer, in writing, during the policy period. The policy also provides coverage for remediation costs on a DISCOVERED AND REPORTED basis, which covers only pollution conditions first discovered and reported to the Insurer, in writing, during the policy period.**

1. Name of Applicant: \_\_\_\_\_

Principal Contact: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

Principal Contact Regarding Mold, Asbestos and Lead Health & Safety Issues: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Telephone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

### 2. Types of Exposures to be covered under this policy (check all that apply)

- Above Ground Storage Tanks
- Airports
- Bus Depots
- Educational Facilities
- Electric Utility
- Gas Utility
- Golf Courses
- Hazardous Waste Facilities
- Health Clinics
- Hospitals
- Housing Authorities
- Irrigation Districts
- Municipal Garages
- Landfills



- Nursing Homes/Assisted Living Communities
- Reclaimed Water Sales/Use
- Recycling Facilities (non-hazardous)
- Service Work (outside of covered locations)
- Sewage Districts
- Spraying Operation (weed/pesticide)
- Underground Storage Tanks
- Wastewater Treatment Facilities
- Water Districts
- Water Treatment Facilities

List other facility types or operations here (if applicable):

3. Population (Municipalities): \_\_\_\_\_
4. Enrollment (School Districts): \_\_\_\_\_
5. Desired effective date of coverage: \_\_\_\_\_
6. Limits of Liability and Self-Insured Retention requested:

Limits of Liability:	Self-Insured Retention:
Per Pollution Condition: \$ _____	Per Pollution Condition: \$ _____
Aggregate: \$ _____	

7. Within the past five (5) years has the applicant or any other party to this insurance purchased this type of insurance coverage?  YES  NO
  - a. *If "Yes" is indicated above, please provide detailed information regarding any such coverage and all available loss information as an attachment to this application.*
8. Within the past five (5) years have any claims been made or legal actions (including any regulatory proceedings) been brought against the applicant or any other party to the proposed insurance?  YES  NO
9. Does the applicant or any other party to the proposed insurance have knowledge of any pollution conditions at any of the proposed covered locations?  YES  NO
10. Does the applicant or any other party to the proposed insurance have knowledge of Injury to people or damage to property during the last five (5) years on or at projects where the applicant performed covered operations?  YES  NO
11. Does the applicant or any other party to the proposed insurance have knowledge of any claims made or pollution conditions during the last five (5) years resulting from the transportation of the applicant's or any other party's waste, goods or products?  YES  NO
12. Does the applicant or any other party to the proposed insurance have knowledge of any claims made with respect to pollution conditions on, at, under or migrating from any disposal sites to which the applicant's or any other party's waste is currently being, or has historically been, taken for recycling or disposal?  YES  NO
13. At the time of signing this application, is the applicant or any other party to the

proposed insurance aware of any circumstances that may reasonably be expected to give rise to a claim against the applicant or any other party to the proposed insurance from the release of pollutants?  YES  NO

*If "Yes" is indicated with respect to questions 8., 9., 10., 11., 12., and/or 13., above, please provide a detailed description of the claim or circumstance (indicate the alleged incident, location, date, type of injury, etc.). Also, please provide a summary of any steps that may have been taken to avoid or mitigate the possibility of a similar loss occurring in the future.*

**\*IT IS UNDERSTOOD AND AGREED THAT IF ANY SUCH CLAIMS EXIST, OR ANY SUCH FACTS OR CIRCUMSTANCES EXIST WHICH COULD GIVE RISE TO A CLAIM, THEN THOSE CLAIMS AND ANY OTHER CLAIMS ARISING FROM SUCH FACTS OR CIRCUMSTANCES ARE EXCLUDED FROM THE PROPOSED INSURANCE UNLESS OTHERWISE AFFIRMATIVELY STATED IN THE POLICY.**

**Supplemental Information for Storage Tank Coverage**

**If you are seeking coverage for pollution conditions emanating from storage tanks, please complete the following.**

***If you are not, please confirm that the items below are not applicable by checking here:***

- 14. Are all of the storage tanks to be covered pursuant to this insurance (hereinafter Storage Tanks) compliant with all applicable federal, state and local laws and regulations?  YES  NO
  - a. *If "No" is indicated above, please provide a written explanation of outstanding compliance issues as an attachment to this application.*
- 15. Are any of the Storage Tanks located within the State of Florida?  YES  NO
- 16. If the applicant answered "Yes" to Question 15., above, are any of the Florida-based Storage Tanks single-walled storage tanks (i.e., bare steel tanks, steel tanks with cathodic protection, STIP ¾ tanks or tanks operating under ACT 100), regardless of whether such single-walled storage tanks have any form of tank lining?  YES  NO
- 17. Have any other storage tanks been removed or closed-in-place in the locations where the Storage Tanks are currently situated?  YES  NO
  - a. *If "Yes" is indicated above, please provide detailed information identifying the specific storage tanks to be covered pursuant to this insurance, which are situated at the common location.*
- 16. Will any of the Storage Tanks be removed, closed or upgraded within the next eighteen (18) months?  YES  NO

**Supplemental Information for Lead-Based Paint and Asbestos Coverage**

**If you are seeking coverage for liability arising out of bodily injury or property damage resulting from exposure to Lead-Based Paint and/or Asbestos, complete the following.**

***If you are not, please confirm that the items below are not applicable by checking here:***

- 17. Do any of the buildings located at the proposed covered locations contain lead-based paint?  YES  NO
- 18. If the applicant answered "Yes" to Question 17., above, does the applicant or any other relevant party to the proposed insurance have a lead-based paint management plan in place to address the lead-based paint?  YES  NO
  - a. *If "Yes" is indicated above, please provide a copy of any such plan(s) as an attachment to this application.*
- 19. Do any of the buildings located at the proposed covered locations contain asbestos or asbestos-containing materials (ACM)?  YES  NO
- 20. If the applicant answered "Yes" to Question 19., above, does the applicant or any other relevant party to the proposed insurance have an asbestos management plan in place to address the asbestos?  YES  NO

a. If "Yes" is indicated above, please provide a copy of any such plan(s) as an attachment to this application.

21. Have any health concerns been raised, or any claims been made, with respect to the presence of lead-based paint, asbestos or asbestos containing materials at any of the buildings located at the proposed covered locations?  YES  NO

a. If "Yes" is indicated above, please provide detailed information regarding the health concerns and/or claims as an attachment to this application.

**\*IT IS UNDERSTOOD AND AGREED THAT IF ANY SUCH CLAIMS EXIST, OR ANY SUCH FACTS OR CIRCUMSTANCES EXIST WHICH COULD GIVE RISE TO A CLAIM, THEN THOSE CLAIMS AND ANY OTHER CLAIMS ARISING FROM SUCH FACTS OR CIRCUMSTANCES ARE EXCLUDED FROM THE PROPOSED INSURANCE UNLESS OTHERWISE AFFIRMATIVELY STATED IN THE POLICY.**

**Supplemental Information for Mold, Fungi and/or Legionella Pneumophila Coverage**

If you are seeking coverage for Mold, Fungi and/or Legionella Pneumophila, complete the following.

If you are not, please confirm that the items below are not applicable by checking here:

22. Do the applicant and any other parties to the proposed insurance perform due diligence with respect to mold and/or fungi when acquiring or leasing property such as in accordance with ASTM Standard E2418-06 "Standard Guide for Readily Observable Mold and Conditions Conducive to Mold in Commercial Buildings: Baseline Survey Process?"  YES  NO

a. If "Yes" is indicated above, please provide detailed information regarding the scope of that due diligence as an attachment to this application.

23. Have any of the buildings located at the proposed covered locations ever been identified as having mold, fungi, legionella pneumophila or similar bacteria-related problems?  YES  NO

a. If "Yes" is indicated above, please provide detailed information regarding the mold, fungi, legionella pneumophila or similar bacteria related problems as an attachment to this application.

24. Have any of the buildings located at the proposed covered locations experienced any water leaks or flooding within the past five (5) years?  YES

a. If "Yes" is indicated above, please provide detailed information regarding the leaks or flooding as an attachment to this application.

25. Are any of the buildings situated at the proposed covered locations constructed using Exterior Insulation and Finish Systems (EFIS)?  YES  NO

a. If "Yes" is indicated above, please provide detailed information confirming the applicable locations as an attachment to this application.

26. Do the applicant and any other parties to the proposed insurance have any mold management and/or water intrusion plans in place?  YES  NO

a. If "Yes" is indicated above, please provide a copy of any such plan(s) as an attachment to this application.

27. Do employees or members of the applicant and any other parties to the proposed insurance receive any training regarding the handling of mold, fungi or legionella pneumophila or similar bacteria-related issues?  YES  NO

a. If "Yes" is indicated above, please provide detailed information regarding such training as an attachment to this application.

28. Have any health concerns been identified by, or any claims been made against, the applicant or any other parties to the proposed insurance with respect to mold, legionella pneumophila, similar bacteria-related issues or any other indoor air quality-related issues at buildings located on any of the proposed covered locations?  YES  NO

- a. If "Yes" is indicated above, please provide a brief description of the claim or circumstance (indicate the alleged incident, location, date, type of injury, etc.). Also, please provide a summary of any steps that may have been taken to avoid or mitigate the possibility of a similar loss occurring in the future.

**\*IT IS UNDERSTOOD AND AGREED THAT IF ANY SUCH CLAIMS EXIST, OR ANY SUCH FACTS OR CIRCUMSTANCES EXIST WHICH COULD GIVE RISE TO A CLAIM, THEN THOSE CLAIMS AND ANY OTHER CLAIMS ARISING FROM SUCH FACTS OR CIRCUMSTANCES ARE EXCLUDED FROM THE PROPOSED INSURANCE UNLESS OTHERWISE AFFIRMATIVELY STATED IN THE POLICY.**

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT IT AND THE OTHER PARTIES TO THIS INSURANCE WILL STRICTLY FOLLOW ANY WATER INTRUSION, MOLD-RELATED, FUNGI-RELATED OR BACTERIA-RELATED OPERATION AND MAINTENANCE PROCEDURES OR PROTOCOLS, INCLUDING ANY WATER INTRUSION, MOLD-RELATED, FUNGI-RELATED OR BACTERIA-RELATED DUE DILIGENCE PROCEDURES OR PROTOCOLS FOR THE ACQUISITION, LEASE, OPERATION, MANAGEMENT OR MAINTENANCE OF ANY PROPERTIES, WHICH WERE PROVIDED TO THE INSURER PRIOR TO THE INCEPTION OF ANY COVERAGE APPLIED FOR HEREIN. THE APPLICANT ACKNOWLEDGES THAT THE INSURER'S AGREEMENT TO PROVIDE MOLD, FUNGI AND/OR LEGIONELLA PNEUMOPHILA COVERAGE AS PART OF THE COVERAGE APPLIED FOR PURSUANT TO THIS APPLICATION IS PREDICATED UPON THE APPLICANT'S AGREEMENT TO PROVIDE THIS WARRANTY.

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT IT AND THE OTHER PARTIES TO THIS INSURANCE WILL STRICTLY FOLLOW ANY LEAD-BASED PAINT OR ASBESTOS OPERATION AND MAINTENANCE PROCEDURES OR PROTOCOLS, WHICH WERE PROVIDED TO THE INSURER PRIOR TO THE INCEPTION OF ANY SUCH COVERAGE APPLIED FOR HEREIN. THE APPLICANT ACKNOWLEDGES THAT THE INSURER'S AGREEMENT TO PROVIDE LEAD-BASED PAINT AND/OR ASBESTOS COVERAGE AS PART OF THE COVERAGE APPLIED FOR PURSUANT TO THIS APPLICATION IS PREDICATED UPON THE APPLICANT'S AGREEMENT TO PROVIDE THIS WARRANTY.

BY SIGNING THIS APPLICATION, THE APPLICANT WARRANTS TO THE INSURER THAT ALL STATEMENTS MADE IN THIS APPLICATION, INCLUDING ANY ATTACHMENTS THERETO, ABOUT THE APPLICANT AND ITS OPERATIONS ARE TRUE AND COMPLETE, AND THAT NO MATERIAL FACTS HAVE BEEN MISSTATED IN THIS APPLICATION OR CONCEALED. COMPLETION OF THIS FORM DOES NOT BIND COVERAGE. THE APPLICANT'S ACCEPTANCE OF THE INSURER'S QUOTATION IS REQUIRED BEFORE THE APPLICANT MAY BE BOUND AND A POLICY ISSUED.

**NOTICE TO APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO ARKANSAS, LOUISIANA, RHODE ISLAND and WEST VIRGINIA APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO COLORADO APPLICANTS:** It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

**NOTICE TO DISTRICT OF COLUMBIA APPLICANTS:** WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

**NOTICE TO FLORIDA APPLICANTS:** Any person who knowingly and with intent to injure, defraud or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony of the third degree.

**NOTICE TO KENTUCKY APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

**NOTICE TO MAINE APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purposes of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

**NOTICE TO MARYLAND APPLICANTS:** Any person who knowingly and willfully presents a false or fraudulent claim for payment for a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

**NOTICE TO MINNESOTA APPLICANTS:** A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

**NOTICE TO NEW JERSEY APPLICANTS:** Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

**NOTICE TO NEW MEXICO APPLICANTS:** Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

**NOTICE TO NEW YORK APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each violation.

**NOTICE TO OHIO APPLICANTS:** Any person who, with the intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

**NOTICE TO OKLAHOMA APPLICANTS:** WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

**NOTICE TO OREGON APPLICANTS:** Any person who knowingly and with intent to defraud or solicit another to defraud an insurer: 1) by submitting an application, or 2) by filing a claim containing a false statement as to any material fact may be violating state law.

**NOTICE TO PENNSYLVANIA APPLICANTS:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

**NOTICE TO TENNESSEE, VIRGINIA and WASHINGTON APPLICANTS:** It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

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Signature of Authorized Applicant

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Signature of Broker/Agent

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Print Name

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Print Name

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Title

---

Date

---

Date

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Signed by Licensed Resident Agent  
(Where Required By Law)

**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM A: Airports and Former Military Bases / Property**

ENTITY: \_\_\_\_\_

**AIRPORTS**

1. Does the Applicant own or operate any Airports?  YES  NO

If **YES**, please answer the following:

2. Name of Airport: \_\_\_\_\_

3. Address of Airport: \_\_\_\_\_

4. Average Number of Flights Daily: \_\_\_\_\_

5. Length of Longest Runway (feet): \_\_\_\_\_

6. If the Applicant owns or operates any fuel storage tanks, complete **Addendum G: Storage Tank Data Sheet**.

**FORMER MILITARY BASES AND PROPERTY**

7. Does the Applicant own or operate any covered location(s) that were formerly used by the Military?  YES  NO

If **YES**, which location and describe the history of the location.

8. When did the Applicant take custody of the location? \_\_\_\_\_

9. What is the current use of the location?

10. Are there any pollution conditions associated with the history of the location?  YES  NO If **YES**, please explain.

11. Who is responsible for the remediation of any pollutions conditions discovered at the location that were a result of its historical use?

12. Please provide information regarding any mandatory or voluntary environmental assessments or monitoring performed at the location:

**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM B: Educational Facilities**

ENTITY: \_\_\_\_\_

**EDUCATIONAL FACILITIES**

1. Please attach a list of all educational facilities. Please include their physical addresses.

Type of Facility	Total Number of Schools	Total Average Daily Attendance (ADA)
Day Care / Pre-School		
Elementary		
Middle School		
High School		
College / University		
Medical Schools		
Vocational Schools		

2. Do you have any science or chemistry laboratories in your district?  YES  NO

If **YES**:

a. Are written chemical storage and emergency spill procedures provided to employees and students?

YES  NO

b. Are all chemicals kept in a secured area?

YES  NO

c. Do chemical disposal methods meet state and federal standards?

YES  NO

3. Do you have any auto shop garages in any of your schools?  YES  NO

If **YES**, please complete **Addendum H: Vehicle Maintenance Facilities** for each location.

4. Do you have any school bus maintenance garages in any of your district?  YES  NO

If **YES**, please complete **Addendum H: Vehicle Maintenance Facilities** for each location.

5. Do you have any swimming pools in your school district?  YES  NO

If **YES**:

a. How many? \_\_\_\_\_

b. Are all pool chemicals kept in a secured place?  YES  NO

c. Are written chemical storage and emergency spill procedures provided to employees?  YES  NO



**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM C: Gas and Electric Utilities**

ENTITY: \_\_\_\_\_

**GENERAL INFORMATION**

Question	Gas	Electric	Other:
1. How many utilities does the Applicant operate?			
2. How many households are serviced?			
3. Describe the security systems that are in place for the utility.			
4. Describe the emergency procedures and emergency shut-off systems for each location.			

**ELECTRIC UTILITIES**

5. Address for each Electric Utility:			
6. How is the electricity generated (steam, coal, gas, oil, etc)?			
7. Describe fly ash disposal methods.			
8. Does the fly ash disposal methods meet state and federal standards? <input type="checkbox"/> YES <input type="checkbox"/> NO    If <b>NO</b> , please explain.			
9. Do your emissions meet federal and state guidelines? <input type="checkbox"/> YES <input type="checkbox"/> NO    If <b>NO</b> , please explain.			
10. Do any of your transformers contain PCB? <input type="checkbox"/> YES <input type="checkbox"/> NO If <b>YES</b> , how often are they inspected?			
11. Have you received any Notices of Violations within the last five years? <input type="checkbox"/> YES <input type="checkbox"/> NO    If <b>YES</b> , please explain.			
12. Are there any fuel storage tanks located at the site? <input type="checkbox"/> YES <input type="checkbox"/> NO If <b>YES</b> , please complete <b>Addendum G: Storage Tank Data Sheet</b> .			

**GAS UTILITIES**

13. Address for each Gas Utility:			
14. Please describe your natural gas distribution system.			
15. How often are gas lines inspected?			
16. Have you received any Notices of Violations within the last five years? <input type="checkbox"/> YES <input type="checkbox"/> NO    If <b>YES</b> , please explain.			
17. Are there any fuel storage tanks located at the site? <input type="checkbox"/> YES <input type="checkbox"/> NO If <b>YES</b> , please complete <b>Addendum G: Storage Tank Data Sheet</b> .			

**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM D: Landfills / Transfer Stations / Recycling Facilities**

**ONE ADDENDUM MUST BE COMPLETED FOR EACH LOCATION  
LOCATIONS ARE NOT COVERED UNLESS SCHEDULED TO THE POLICY**

Site Name:

Physical Address:

City: State: Zip Code:

State and/or EPA Identification#:

1. What type of facility is this? (Check all that apply)  
 Active Landfill  Transfer Station  
 Closed Landfill (additional information required)  Material Recycling Facility

2. When was this facility designed and built?

3. When was this facility first permitted?

4a. Who permits this facility?

5a. Total Acreage: 5b. Disposal Acreage: 5c. Buffer Acreage:

6. Permitted maximum tons per day?

7. Actual average tons per day?

8. What is the estimated closure date of the facility?

9. Have you received any Notices of Violations within the last five years?  YES  NO If YES, please explain

10. Does the Applicant operate the facility?  YES  NO

11. Describe the use of the Surrounding Properties.  
NORTH \_\_\_\_\_ EAST \_\_\_\_\_  
SOUTH \_\_\_\_\_ WEST \_\_\_\_\_

**LANDFILLS**

12. Is a composite liner in place?  YES  NO  
If YES, please describe liner material and thickness.

13. Is a Leachate Collection System in place?  YES  NO  
If YES, how is the leachate stored and disposed of?

14. Is a Groundwater Monitoring System in place?  YES  NO  
If YES, please provide the most recent groundwater monitoring reports.

**TRANSFER STATION / MATERIAL RECYCLING FACILITY**

15. Are there any systems for monitoring pollution conditions at the facility?  YES  NO If YES, please explain.

16. Is the facility located at an active or closed landfill?  YES  NO If YES, please explain.

17. List of Goods recycled:

**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM E: Recreational Facilities / Medical Facilities**

ENTITY: \_\_\_\_\_

**RECREATIONAL FACILITIES**

1. How many parks are owned by the Applicant? \_\_\_\_\_

Total Acreage: \_\_\_\_\_

2. How many playgrounds do you have where the equipment is constructed of treated lumber? \_\_\_\_\_

3. How many playgrounds use recycled rubber chips as a base? \_\_\_\_\_

4. How many swimming pools does the Applicant maintain? \_\_\_\_\_

What type of chemical treatment system is used?

5. How many ponds or lakes does the Applicant maintain? \_\_\_\_\_

How many are used for recreational swimming? \_\_\_\_\_

6. How many golf courses does the Applicant maintain? \_\_\_\_\_

Please describe chemical use and storage.

7. Does the Applicant own any Arenas or Stadiums?  YES  NO

If YES, what is the total capacity? \_\_\_\_\_

**MEDICAL FACILITIES**

Question	Hospitals	Medical Clinics	Nursing Home/Assisted Living
Total Number of Facilities?			
Number of Beds?			
Number of patients per year?			
Number of on-site laboratories?			
Number of employees?			
Number of on-site incinerators?			

Are there any fuel storage tanks located at the site?  YES  NO

If YES, please complete **Addendum G: Storage Tank Data Sheet**.

**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM F: Chemical Storage / Spraying Operations / Service Work**

ENTITY: \_\_\_\_\_

**CHEMICAL STORAGE**

1. Are all chemical storage facilities secured?  YES  NO

2. Are written emergency spill procedures provided to employees who handle chemicals?  YES  NO

**CHEMICAL SPRAYING OPERATIONS**

3. Does the Applicant perform any spraying operations?  YES  NO

4. Does the Applicant perform any aerial spraying operations?  YES  NO

**Please Note: Aerial Spraying operations are excluded from the coverage.**

5. Types of Spraying Operations

Herbicide: _____	Days per Year: _____
Pesticide: _____	Days per Year: _____
Other (describe): _____	Days per Year: _____

6. Describe the methods of application used:

7. Do you require that the person conducting the spraying operations be certified?  YES  NO

8. Percentage of spraying operations performed by Employees? \_\_\_\_\_

9. Percentage of spraying operations performed by Contractors? \_\_\_\_\_

10. Do you required Certificates of Insurance from Spraying Contractors?  YES  NO

11. **Please attach Material Data Safety Sheets (MSDS's) for all chemicals used and list the quantities used for each.**

**OTHER SERVICE WORK**

12. Please list other service work routinely provided by the Applicant:

**PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION**

**ADDENDUM H: Vehicle Maintenance Facilities**

ENTITY: \_\_\_\_\_

**ONE ADDENDUM MUST BE COMPLETED FOR EACH LOCATION  
LOCATIONS ARE NOT COVERED UNLESS SCHEDULED TO THE POLICY**

**PROPERTY DESCRIPTION**

Physical Street Address	Year First Opened	Number of Vehicles Serviced each year

1. Is the facility used for other operations besides vehicle maintenance?  YES  NO  
If YES, what operations? \_\_\_\_\_

2. Does this location have hydraulic lifts?  YES  NO

3. Have the hydraulic lift oil tanks ever been inspected?  YES  NO  
If YES, please provide details: \_\_\_\_\_

4. Provide a description of adjacent properties:

North: \_\_\_\_\_

South: \_\_\_\_\_

East: \_\_\_\_\_

West: \_\_\_\_\_

5. Identify any protected or sensitive environments within one mile of the site (parks, schools, wetlands, etc.):

6. Is public water and sewer available at the site?  YES  NO

7. Provide information regarding any mandatory or voluntary monitoring performed at the site:

8. Identify any past storage or disposal practices at the site, including any on-site disposal:

9. Please provide information on known prior uses of the maintenance locations:

10. Are there any fuel storage tanks located at the site?  YES  NO  
If YES, please complete **Addendum G: Storage Tank Data Sheet.**

# PUBLIC ENTITIES / EDUCATIONAL FACILITIES ENVIRONMENTAL INSURANCE APPLICATION

## ADDENDUM I: Water Treatment Facilities / Wastewater Treatment Facilities

ENTITY: \_\_\_\_\_

**ONE ADDENDUM MUST BE COMPLETED FOR EACH LOCATION  
LOCATIONS ARE NOT COVERED UNLESS SCHEDULED TO THE POLICY**

Entity: \_\_\_\_\_

Physical Address of Storage Tanks Listed Below: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

EPA I.D. #: \_\_\_\_\_

1. What type of facility is this? (Check one)  
 Water Treatment Facility     Waste Water Treatment Facility

2. When was this facility designed and built? \_\_\_\_\_

3. What is the Total Population served by this facility? \_\_\_\_\_

4. When was this facility first permitted? \_\_\_\_\_

5. Is this site completely fenced and access restricted?     YES  NO

6. Are there any fuel storage tanks located at the site?     YES  NO  
 If YES, please complete **Addendum G: Storage Tank Data Sheet.**

**WATER TREATMENT**

7. How many miles of pipelines is the entity responsible for? \_\_\_\_\_

8. Average amount of water treated per day (gallons)? \_\_\_\_\_

9. Maximum capacity treated water per day (gallons)? \_\_\_\_\_

10. Number of: \_\_\_\_\_ Water Tanks    \_\_\_\_\_ Water Towers

11. Source of Water Supply for this facility: \_\_\_\_\_

**WASTEWATER TREATMENT**

12. How many miles of sewer lines is the entity responsible for? \_\_\_\_\_

13. Average amount of waste treated per day (gallons)? \_\_\_\_\_

14. Maximum capacity treated waste per day (gallons)? \_\_\_\_\_

15. Please complete the following for each permitted effluent discharge:

POLLUTANT	PERMITTED MAXIMUM AMOUNT	DAILY AVERAGE AMOUNT

16. Where and how is your effluent discharged?  
 \_\_\_\_\_

17. What is done with the residual by-product/sludge?  
 \_\_\_\_\_

**RECLAIMED WATER**

18. Does the facility sell or distribute any Reclaimed Water?     YES  NO

If YES:  
 a. Average gallons of water reclaimed per day: \_\_\_\_\_  
 b. Percent Sold: \_\_\_\_\_ Percent reused by the entity: \_\_\_\_\_

19. Are signs posted in the area where reclaimed water is used?     YES  NO

20. On a separate page, describe the use and application of the reclaimed water.  
 \_\_\_\_\_



# Storage Tank Inventory By Location

(Completed as part of the Application for Insurance)

Facility Name \_\_\_\_\_ Facility Address \_\_\_\_\_ Facility ID # \_\_\_\_\_

(Complete schedule with symbols below)

	1	2	3	4	5	6
Tank #						
UST/AST						
Install Date Year						
Capacity (Gallons)						
Contents						
Tank Construction Material						
Overfill/Spill Protection						
Tank Leak Detection						
AST Diking & Base Construction						
Piping Construction Material						
Piping Leak Detection						

**Contents**

- B.** Unleaded Gasoline
- C.** Gasohol
- D.,F.,G.,H.** Diesel
- K.** Kerosene
- L.** Waste Oil/ Used Oil
- M.** Fuel Oil
- P.** Generic Gasoline
- Q.** Pesticide
- R.** Ammonia compound
- S.** Chlorine compound
- T.** Haz. Substance (CERCLA)
- U.** Mineral Acids
- V.** Grades 5&6 bunker 'C' oils
- W.** Petroleum-base additive
- X.** Misc. petroleum-base
- Z.** Other, Identify

**Tank Construction**

- C.** Steel
- E.** Fiberglass
- F.** FRP Clad Steel
- X.** Concrete
- Y.** Polyethylene
- Z.** Other EPA/DEP Approved
- G.** Cathodic Protection Sacrificial Anode
- H.** Cathodic Protection - Impressed Current
- I.** Double Walled(DW) - Single Material
- R.** Double Walled (DW)- Dual Material
- J.** (DW)Synthetic Liner in Tank Construction
- V.** (DW)Pipeless UST with Secondary Containment
- B.** Internal Lining **STI.** STI-P3

**Overfill/Spill Protection**

- A.** Ball Check Valve
- M.** Spill Containment Bucket
- N.** Flow Shut-off
- O.** Tight Fill
- P.** Level Gauges, High Level Alarms
- Q.** Other EPA/DEP Approved Protection Method
- Piping Construction Material**
- B.** Steel
- C.** Fiberglass
- F.,M.** Double walled
- N.** Approved Synthetic Material
- Z.** Other EPA/DEP Approved Piping Material
- D.** External Protective Coating
- E.** C/P with sacrificial anode or impressed current

**Tank Leak Detection**

- N.** Groundwater Monitoring Wells
- E.** Interstitial Monitoring
- O.** Vapor Monitoring Wells
- Q.** Visual Inspections of AST Systems
- Z.** Other EPA/DEP Approved
- D.** SPCC Plan - AST
- F.** Interstitial Space - Double Walled Tank
- M.** Manual Tank Gauging - UST
- S.** Statistical Inventory Reconciliation (SIR)(USTs)
- L.** Automatic Tank Gauging System (USTs)
- R.** Interstitial Monitoring of AST tank bottom
- T.** Annual Tightness Test with Inventory (USTs)

**AST Diking & Base Construction**

- K.** Concrete, Synthetic Material, clays
- S.** Other EPA/DEP approved secondary containment system
- Z.** Dirt/Earth

**Piping Leak Detection**

- G.** Electronic Line Leak Detector with Flow Shutoff
- J.** Interstitial Monitoring - Piping Filter
- 6.** External Monitoring
- H.** Mechanical Line Leak Detector
- K.** Interstitial Monitoring of double wall piping
- V.** Suction Pump Check Valve



## Application for School Leaders Professional Liability Insurance

**THIS IS A CLAIMS MADE POLICY. READ IT CAREFULLY.**

1. Name of Educational Entity: \_\_\_\_\_
2. Address: \_\_\_\_\_  
 City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_
3. Phone: \_\_\_\_\_ Fax: \_\_\_\_\_
4. Were any schools opened or closed within the past 12 months?  Yes  No  
**If yes, attach details.**
5. CURRENT STUDENT ENROLLMENT  
 a. Full-time \_\_\_\_\_ b. Part-time \_\_\_\_\_ c. Last year \_\_\_\_\_ d. Estimated enrollment next year \_\_\_\_\_  
 e. Number of students served in Special Education Programs \_\_\_\_\_

### FISCAL INFORMATION (REQUIRED)

6. Budget figures for current year.

Year	Budget Expenditures	Operational Surplus/Deficit (indicate + or -)	Accumulated Fund Balance*
	\$	\$	\$

\*If a deficit exists, provide reasons for and steps being taken to remedy it. If Fund Balance is not permitted to accumulate by state or local regulation, please indicate here. \_\_\_\_\_

- a. Total amount of bond authority \$ \_\_\_\_\_
- b. Total amount of outstanding Bonds \$ \_\_\_\_\_
- c. Latest Moody's, Standard and Poor's and/or Fitch's Bond rating: \_\_\_\_\_  
**IF NOT RATED, PLEASE EXPLAIN** \_\_\_\_\_
- d. Has the School District been in default on principal or interest of any Bond?  Yes  No  
**If yes, attach a statement of details.**

### PERSONNEL INFORMATION

7. NUMBER OF PERSONNEL  
 a. Administrative \_\_\_\_\_ b. Teachers: Certified \_\_\_\_\_ Non-Certified \_\_\_\_\_ c. Support Service \_\_\_\_\_  
 d. Volunteers \_\_\_\_\_ e. Special Education Director(s) \_\_\_\_\_ f. Law enforcement \_\_\_\_\_
8. Does applicant anticipate a reduction in personnel within the next 12 months?  Yes  No  
**If yes, attach an explanation.**
9. Has any employee been suspended, demoted, dismissed, transferred or had an employment contract non-renewed within the last 12 months?  Yes  No  
**If yes, attach details.**

### CURRICULUM INFORMATION

**If any of the following are answered yes, attach a detailed explanation for each.**

10. During the past policy period has there been a change in the following?
  - a. Actual or anticipated expansions or reductions in study courses or programs?  Yes  No
  - b. Special education programs and related services?  Yes  No
  - c. Other school districts' access to the applicant's special education programs or facilities?  Yes  No



**OPERATIONS INFORMATION**

**If any of the following are answered yes, attach a detailed explanation for each.**

- 11. During the past policy period has the school district:
  - a. Borrowed any monies for other than capital improvements against anticipated future revenues?  Yes  No
  - b. Added or changed operations related to boarding facilities?  Yes  No
  - c. Added or changed operations related to preschool/daycare facilities?  Yes  No
  - d. Been involved in any dispute with contractors or suppliers which resulted in a demand for money or service?  Yes  No
- 12. Are any school openings or closings anticipated within the next 12 months?  Yes  No
- 13. Does the applicant carry General Liability (GL) insurance?  Yes  No
 

Name of carrier: \_\_\_\_\_ . Policy limit: \_\_\_\_\_ . Is this insurance self-funded?  Yes  No

Does this insurance specifically exclude claims arising out of abuse or molestation or impose a sub limit?  Yes  No

**PROCEDURES INFORMATION**

**If any of the following are answered yes, attach a detailed explanation for each.**

- 14. During the past policy period has there been any change in:
  - a. Policy for suspension, dismissal or non-renewal of staff or detention/suspension of students?  Yes  No
  - b. Written procedures for the development of an Individualized Education Plan (IEP) for each special needs student?  Yes  No
  - c. Procedures for hiring practices or pay scale?  Yes  No
  - d. Statement of policy outlining procedures for reporting and investigating allegations of physical abuse and sexual harassment?  Yes  No
  - e. Procedures for identifying and handling potential violent behavior?  Yes  No
  - f. Internet Use Policy?  Yes  No

**LOSS INFORMATION**

**If any of the following are answered yes, attach a detailed explanation for each.**

- 15. During the past policy period has there been any of the following which **have not** been reported:
  - a. A demand for money or services or a proceeding, event or development which may result in a claim being made against the Insured?  Yes  No
  - b. A federal, state or local legal proceeding; administrative action, including EEOC; due process hearing, including IDEA, against the insured?  Yes  No
  - c. Is there pending litigation involving any federal law, state law or constitutional violation?  Yes  No

Person designated to receive all notices from the insurers or their authorized representative concerning the insurance:

Name \_\_\_\_\_ Title \_\_\_\_\_

The Applicant hereby represents that the statements and answers to questions made above and attachments hereto are true, to the best of his/her knowledge, and applicant has not omitted or misrepresented any information. It is agreed that claims will be excluded that result from any facts, circumstances or situations known prior to the retroactive date that could have been reasonably expected to result in a claim. It is agreed that in the event there is any material change in the answers to the questions contained herein prior to the desired effective date of coverage, the applicant will notify the company, and at the sole discretion of the company, any outstanding quotation may be modified or withdrawn.

Any person who knowingly files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and also punishable by civil penalties in certain jurisdictions.

This application is attached to and becomes a part of the Policy if issued.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (print or type)

\_\_\_\_\_  
Title

**CANNOT BE ISSUED UNLESS THE APPLICATION IS PROPERLY SIGNED AND DATED**

Please submit this application and documentation to:

Diploma Joint Insurance Fund  
51 Everett Drive, Suite B-40  
West Windsor, NJ 08550-5374

## **Axis – Follow Up Questions to Beazley Ransomware Supplemental**

1. Does the applicant employ any intrusion detection/response?  
Solution?
2. Is MFA utilized for – critical information, remote access, personal devices, and noncritical information and applications?
3. Does applicant employ any of the following solutions? DKIM/DMARC
4. Does the applicant actively monitor all administrator access for unusual behavior patterns?
5. Is Remote Desktop Protocol enabled? If so, are the following implemented:
  - 5a.) VPN Access only?
  - 5b.) MFA for access?
  - 5c.) Network level authentication enabled?
  - 5d.) RDP honeypots?
  - 5e.) Or other?
6. Is Training & Awareness conducted for– Social engineering? Role based training? Privacy/data handling compliance? Security/threat awareness?
7. Does the applicant conduct regular back up of data? If yes, how frequently is critical information backed up?  
At a minimum: Continuously? Daily? Weekly? Monthly? Quarterly? Semi-Annually? Annually?
8. Does the applicant utilize physical backup tapes?
9. Where are backups stored? Cloud/On premises/Offline Storage/Offsite Storage/Secondary data center
10. Are backups subject to the following measures? MFA? Encryption? Segmentation? Virus/Malware Scanning?
11. Are Unique backup credentials stored separately from other user credentials?
12. How frequently are backups made to offsite storage? Weekly/Monthly/Annually
13. How frequently is a full recovery from a backup tested? Monthly? Quarterly?
14. In the event of an interruption of the applicant’s network, what is that applicant’s recovery time objective for critical systems, applications and process? (8 Hours, 8-12 Hours, 12-24 Hours, 24-48 Hours, greater than 48 hours)
15. In the event critical information, or critical systems, applications or processes became unavailable, how long would it take to materially interrupt the applicant’s business? At most: < 1 hour , 1-8 hours, 8- 12 hours, 12-24 hours, 24-48 hours.

School District:



**DIPLOMA JOINT INSURANCE FUND  
2023/2024 FUND YEAR  
MEETING SCHEDULE**

Thursday ..... July 27, 2023\*

Thursday ..... November 16, 2023

Thursday ..... January 4, 2024

Thursday ..... March 7, 2024

Thursday ..... May 9, 2024

\*The Fund Commissioners' reorganization meeting  
will be held via Zoom Call.

Meetings are anticipated to be held at 10:00 a.m. at the  
Cranford Board of Education building.



## **Diploma Joint Insurance Fund Indemnity and Trust Agreement**

**THIS AGREEMENT**, made this \_\_\_\_\_ day of \_\_\_\_\_ 2024, in the County of \_\_\_\_\_, State of New Jersey, by and between the Diploma Joint Insurance Fund, hereinafter referred to as "**Fund**", and the Governing Body of the \_\_\_\_\_, hereinafter referred to as "**Educational Facility**";

**WHEREAS**, the **Fund** seeks to provide its members with insurance coverage; and

**WHEREAS**, two or more educational facilities have collectively formed a Joint Insurance Fund as is authorized and described in N.J.S.A. 18A:18B-1 *et. seq.*; and

**WHEREAS**, the **Educational Facility** has agreed to become a member of said **Fund** in accordance with and to the extent provided for in the bylaws of the **Fund** and in consideration of such obligations and benefits to be shared by the membership of the **Fund**;

**NOW, THEREFORE**, it is agreed as follows:

1. The **Educational Facility** hereby agrees to become a member of the **Fund** for an initial period of three (3) years, the commencement of which shall coincide with the effective date of the **Educational Facility's** membership of the **Fund**.
2. The **Educational Facility** hereby ratifies and affirms the bylaws and other organizational and operational documents of the **Fund** as from time to time amended and altered by the Department of Banking and Insurance in accordance with the applicable statutes and regulations as if each and every one of said documents were executed contemporaneously herewith.
4. The **Educational Facility** agrees to be a participating member of the **Fund** for the period herein provided for and to comply with all of the rules and regulations and obligations associated with said membership.
5. The **Educational Facility** certifies that it has never defaulted on any claim, if self-insured, and has not been canceled for non-payment of insurance premiums for a period of at least two (2) years prior to the date hereof.
6. In consideration of membership in the **Fund**, the **Educational Facility** agrees that for those types of insurance in which it participates, the **Educational Facility** shall jointly and severally assume and discharge the liability of each and every member of the **Fund** all of whom, as a condition of membership in the **Fund**, shall execute a verbatim counterpart to this Agreement. By execution hereof the full faith and credit of the **Educational Facility** is pledged to the punctual payment of any sums which shall become due to the **Fund** in accordance with the bylaws thereof, this Agreement or any applicable statute or regulation.

7. If the **Fund**, in the enforcement of any part of this Agreement, shall incur necessary expense or become obligated to pay attorney's fees and/or court costs, the **Educational Facility** agrees to reimburse the **Fund** for all such reasonable expenses, fees and costs on demand.
8. The **Educational Facility** and the **Fund** agree that the **Fund** shall hold all monies paid by the **Educational Facility** to the **Fund** as fiduciaries for the benefit of **Fund** claimants all in accordance with applicable statutes and/or regulations.
9. The **Fund** shall establish and maintain Trust Accounts in accordance with N.J.S.A. 18A:18B-1 *et. seq.* and such other statutes and regulations as may be applicable.
10. Each **Educational Facility** who shall become a member of the **Fund** shall be obligated to execute this Agreement.
11. The **Educational Facility's** Business Official designated in the Resolution to Join shall be and is hereby authorized to execute the Agreement for membership.

By: \_\_\_\_\_  
Authorized Signature

By: \_\_\_\_\_  
Chairperson  
Diploma Joint Insurance Fund

**Diploma Joint Insurance Fund**  
**Resolution Appointing a Risk Manager**

**WHEREAS**, the \_\_\_\_\_,  
("Educational Facility") has resolved to join the Diploma Joint Insurance Fund ("Diploma JIF")  
following a detailed analysis; and

**WHEREAS**, the Bylaws of Diploma JIF require that each entity designate a Risk  
Manager to perform various professional services as detailed in the Bylaws and Risk  
Management Plan; and

**WHEREAS**, the Bylaws indicate that Diploma JIF shall pay each Risk Manager a fee to  
be established annually by the Board of Trustees;

**NOW THEREFORE, BE IT RESOLVED** that the \_\_\_\_\_, does  
hereby appoint \_\_\_\_\_ as its Risk  
Manager in accordance with the Fund's Bylaws.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Entity

2023-2024 Fund Year



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## Coverage Summary

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<b><u>I. Coverages</u></b>	<b><u>Limits of Liability</u></b>
Workers' Compensation/Employers' Liability	
Coverage A .....	N.J. Statutory Benefits
Coverage B.....	\$5,000,000
Supplemental Indemnity <sup>4</sup> .....	N.J. Statutory Benefits
General and Automobile Liability <sup>1</sup> .....	\$5,000,000 Occ./ \$100,000,000 Fund Agg.
Employee Benefits .....	\$5,000,000 Occ.
Excess General and Auto Liability <sup>2</sup> .....	\$5,000,000 Occ./Agg.
Sexual Abuse and Molestation.....	\$10,000,000 Occ./\$28,500,000 Fund Agg.
Cyber Liability <sup>1</sup> .....	\$2,000,000 Occ./Aggregate
Property, Inland Marine and Automobile Physical Damage .....	\$500,000,000 Occ.
Flood .....	\$25,000,000 Occ./\$50,000,000 Agg. – Zones A or V \$10,000,000 Occ. - All Other Zones/\$100,000,000 Agg. All Covered Zones
Boiler and Machinery .....	\$100,000,000 Occ.
Employee Dishonesty .....	\$500,000 Per Loss
Money and Securities.....	\$50,000
Environmental Impairment Liability <sup>3</sup> .....	\$1,000,000 Occ./\$5,000,000 Fund Agg.
Critical Incident Management.....	\$25,000
School Leaders' Professional Liability <sup>1,3</sup> .....	\$5,000,000 Per Claim/Agg.

<sup>1</sup> Limits of liability are shown as the minimum standard.  
Optional increased limits of liability are available.

<sup>2</sup>Automatically included if package coverage is elected.

<sup>3</sup>Available only with the election of package coverage.

<sup>4</sup>Available only with the election of workers' compensation coverage.

**II. Deductibles**

The limits of liability apply as shown in item I; subject to the following deductibles:

Workers' Compensation/Employers' Liability .....	NIL
Automobile Liability and Comprehensive General Liability .....	NIL
Property .....	\$5,000 per occurrence
Flood losses in locations situated in Special Flood Hazard Areas A & V .....	\$500,000 <b>per</b> building and \$500,000 <b>per</b> building contents
Auto Physical Damage .....	\$1,000 per occurrence
Boiler and Machinery .....	\$5,000 each loss
Money and Securities .....	\$1,000 each loss
Environmental Impairment Liability .....	minimum \$50,000 per incident
School Leaders' Professional Liability .....	minimum \$5,000 per claim

**III. Conditions**

**Environmental Impairment Liability** coverage included with package coverage is contingent upon receipt of a completed Diploma JIF environmental application and, if applicable, a completed tank schedule.

**School Leaders' Professional Liability** coverage is contingent upon receipt and review of an original signed Diploma JIF school leaders' professional liability application.

### **The Benefits of Being a Diploma Member include...**

- **Safety Incentive Program**  
Diploma members can earn money for their continued safety activities through participation in the Safety Incentive Program. Members accumulate points through quarterly activities designed to assist the members in reducing claims activity.
- **Employee Training, at No Additional Cost to Members**  
Diploma members have access to over 1,200 PEOSHA mandated safety training classes conducted throughout the state through the MEL Safety Institute (MSI). Members can become a host facility and hold training sessions at their locations.
- **SafeSchools**  
Online training program with over 125 courses with 100% school-focused content. SafeSchools features policy builder capabilities, automatic tracking, administrative reports and automated scheduling and email notification.
- **Employee Training Management Tools**  
Diploma members have access to the on-line Learning Management System that customizes each employee's curriculum based on the specific PEOSHA requirements for that employee's job responsibilities.
- **HR Helpline**  
Diploma members that purchase School Leaders' Professional Liability coverage have access to the Helpline Services website and its employment law attorneys for answers to specific human resource and employment law questions as well as the ability to download HR articles, checklists and regulatory updates via the web.
- **Risk Management and Loss Control Programs**  
Diploma's innovative risk management and loss control programs provide members with tools and insights from professionals, resulting in a safer environment for students and staff. Loss prevention and loss reduction result in reduced costs for members.

## **2023/2024 Membership**

Achievers Early College Prep Charter School  
Bloomfield Board of Education  
Bridgeton Public Charter School  
Clark Public Schools  
Cranford Board of Education  
Manville Board of Education  
Middlesex County STEM Charter School  
Middletown Township Board of Education  
North Plainfield Board of Education  
Ocean Academy Charter School  
Shore Regional High School District  
Summit Board of Education  
Union County Educational Services  
Commission Ventnor City Board of Education  
Wall Board of Education  
Watchung Borough Board of Education  
West New York Board of Education

***DIPLOMA***  
***Joint Insurance Fund***

\*\*\*\*\*

***Bylaws***

*Adopted May 1998*

**PREAMBLE**

*Diploma Joint Insurance Fund  
c/o Risk and Loss Managers, Inc.  
51 Everett Drive, Suite 105B  
Lawrenceville, NJ 08648*

**WHEREAS:** *Public Law 1983, c.372 (N.J.S.A. 18A:18B-1 et seq.) permits school districts to join together to form a joint insurance fund; and*

**WHEREAS:** *Said statute was designed to give school districts an opportunity to use alternative risk management techniques, providing they are based on sound actuarial principles; and*

**WHEREAS:** *It has been concluded that the formation of a "Joint Insurance Fund" will result in significant savings in insurance costs as well as providing stability in coverage; and*

**WHEREAS:** *The following districts agreed to form a joint insurance fund effective December 15, 1995:*

- |   |   |
|---|---|
| <i>1. Bloomfield Board of Education<br/>155 Broad Street<br/>Bloomfield, NJ 07003</i>               | <i>2. Cranford Board of Education<br/>P.O. Box 646<br/>Cranford, NJ 07016</i>             |
| <i>3. Englewood Board of Education<br/>12 Tenafly Road<br/>Englewood, NJ 07631</i>                  | <i>4. Ewing Board of Education<br/>1331 Lower Ferry Road<br/>Trenton, NJ 08618</i>        |
| <i>5. Middlesex Board of Education<br/>Kennedy Drive<br/>Middlesex, NJ 08846</i>                    | <i>6. Neptune Board of Education<br/>2106 Bangs Avenue<br/>Neptune, NJ 07753</i>          |
| <i>7. North Plainfield Board of Education<br/>33 Mountain Avenue<br/>North Plainfield, NJ 07060</i> | <i>8. Union County Regional High School<br/>Mountain Avenue<br/>Springfield, NJ 07081</i> |
| <i>9. Watchung Hills Board of Education<br/>108 Stirling Road<br/>Warren, NJ 07059</i>              |   |

**NOW THEREFORE,** *in consideration of the premises and in order to operate said **Fund** to be known as the Diploma Joint Insurance Fund.*

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**ARTICLE I - NAME**

*The name of this group shall be the DIPLOMA JOINT INSURANCE FUND, hereinafter called the "Fund."*

**ARTICLE II - PURPOSE**

*The purposes of the Fund are:*

- 1. To permit the Boards of Education joining herein to make a more efficient use of their powers and resources by cooperating on a basis that will be of mutual advantage; and*
- 2. To provide a procedure for the development, administration, and provision of risk management programs, a joint self-insurance fund or funds, joint insurance purchases and related services for **members** and their employees for the following:*
  - a. Loss or damage from liability as established by Chapter 15 of Title 34 of the revised statute, Labor and **workers' compensation** (RS 34:15-1 et seq).*



**ARTICLE III - DEFINITIONS**

*"ACTUARY" means a person who is a fellow in good standing of the Casualty Actuarial Society with three years recent experience in loss reserving or an associate in good standing of the Casualty Actuarial Society with five years recent experience in loss reserving.*

*"ADMINISTRATOR" means a person, partnership, corporation or other legal entity engaged by the Fund to act as Executive Director, to carry out the policies established by the Trustees and to otherwise administer and provide day-to-day management of the Fund.*

*"AUTOMOBILE AND EQUIPMENT LIABILITY" means liability resulting from the use or operation of motor vehicles, equipment or apparatus owned by or controlled by the member or owned by or under the control of any departments, boards, agencies, commissions or other entities which the member may provide coverage for under applicable State law or regulation. The exact definition of "automobile and equipment liability" shall be the definition used in the excess/reinsurance policy purchased by the Fund.*

*"CHAIRMAN" means the chairman of the Board of Trustees as may be elected or designated by the Trustees.*

*"COMMISSIONER" means the Commissioner of the Department of Banking and Insurance.*

*"DEPARTMENT" means the Department of Banking and Insurance.*

*"EMPLOYERS' LIABILITY" means the legal liability of an employer to pay damages because of bodily injury or death by accident or disease at any time resulting therefrom sustained by an employee arising out of and in the course of his employment by the employer, which is not covered by a workers= compensation law. The exact definition of "employers' liability" or similar terms shall be the definition used in the excess/reinsurance policy purchased by the Fund.*

*"EXCESS CARRIER" means an insurer that provides excess insurance or reinsurance to a fund.*

*"EXCESS INSURANCE" means insurance purchased from an insurance company authorized or admitted in the State of New Jersey or deemed eligible by the Commissioner as a surplus lines insurer, covering losses in excess of an amount established between the Fund and the insurer up to the limits of coverage set forth in the insurance contract on a specific occurrence, or per accident and/or annual aggregate basis.*

*"FISCAL YEAR" or "FUND YEAR" means the Fund's fiscal year of July 1 through June 30.*

*"FUND" means the Diploma Joint Insurance Fund.*

*"FUND COMMISSIONER" means an individual appointed by a member school board having the qualifications, powers, and duties outlined in these Bylaws.*

**"GENERAL LIABILITY"** means any and all liability which may be insured under the laws of the State of New Jersey, excluding workers' compensation, employers' liability, motor vehicular and equipment liability. The exact definition of "general liability" or similar terms is the definition used in the excess/reinsurance policy purchased by the Fund.

**"HAZARDOUS FINANCIAL CONDITION"** means that, based on its present or reasonable anticipated financial conditions, a fund, although not yet financially impaired or insolvent, is unlikely to be able:

1. To meet obligations to claimants with respect to known claims and reasonably anticipated claims; or
2. To pay other obligations in the normal course of business.

**"INDEMNITY AND TRUST AGREEMENT"** means a written contract signed by and duly adopted by the members of the Fund under which each agrees to jointly and severally assume and discharge the liabilities of each and every party to such agreement arising from the participation in the Fund.

1. The agreement shall also create a trust and govern the operation thereof under which monies shall be held by the Fund Commissioners/Trustees as fiduciaries for the benefit of fund claimants.
2. Where the Fund shall provide for the retention on a self insured basis of any or all of the risks or liabilities specified below, the agreement shall require and provide for the establishment of separate trust accounts from which monies shall be disbursed solely for the payment of claims, allocated claim expenses and excess insurance of reinsurance premiums for each such risk or liability:
  - < workers' compensation and employers' liability
  - < liability, including school board legal liability, and motor vehicle liability
  - < property damage, including automobile physical damage
  - < boiler and machinery

**"INSOLVENT FUND"** means a joint insurance fund which has been determined by a court of competent jurisdiction to be unable to pay its outstanding lawful obligations as they mature in the regular course of business, as may be shown either by an excess of its required reserves and other liabilities over its assets or by its not having sufficient assets to reinsure all of its outstanding liabilities after paying all accrued claims owed by it, or for which, or for the assets of which, a receiver or liquidator, however entitled, has been appointed by a court of competent jurisdiction and authority, after the effective date of the subchapter.

**"INSURER"** means any corporation, association, partnership, reciprocal exchange, interinsurer, Lloyd's insurer or other person engaged in the business of insurance pursuant to Subtitle 3 of Title 17 of the Revised Statutes.

**"INTERTRUST FUND TRANSFER"** means an actual transfer of funds from one Claim or Loss Retention Fund Account in a fiscal year to another account within the same fiscal year.

**"INTERYEAR FUND TRANSFER"** means the transfer of funds from a Claim or Loss Retention Account for a fiscal year to a Claim or Loss Retention Account of similar risk or liability for a different fiscal year.

**"JOINT INSURANCE FUND"** means a joint self-insurance fund established by a school board insurance group pursuant to N.J.S.A. 18A:18B-1 et seq. The joint self-insurance fund is a fund of public moneys from contributions made by members of a school board insurance group for the purpose of securing insurance protection, risk management programs, or related services as authorized by N.J.S.A. 18A:18B-1 et seq.

**"MEMBER" OR "MEMBER DISTRICT"** means a school board which is a member of the Diploma Joint Insurance Fund.

**"NET CURRENT SURPLUS" OR "SURPLUS"** means that amount of monies in a trust account established pursuant to N.J.A.C. 11:15-4.6(b)10 that is in excess of all costs, earned investment income, returned surplus, incurred losses and loss adjustment expenses and incurred but not reported reserves, including the associated loss adjustment expenses attributed to the Fund net of any per occurrence or aggregate excess insurance or reinsurance for a particular year.

**"PRODUCER"** means any person engaged in the business of an insurance agent, insurance broker, or insurance consultant as defined in N.J.S.A. 17:22A-1 et. seq.

**"PROPERTY DAMAGE"** means any loss or damage, however caused, to property, motor vehicles, equipment, or apparatus owned by the member school district or owned by or under the control of any of its departments, boards or agencies. The exact definition of "property damage" or similar terms shall be the definition in the excess/reinsurance policy purchased by the Fund.

**"RISK MANAGEMENT PLAN"** means the Plan of Risk Management required under the provisions of these Bylaws.

**"RISK MANAGEMENT PROGRAM"** means a plan and activities carried out under the plan, by a joint insurance fund to reduce risk of loss with respect to a particular line of insurance protection or coverage provided by a fund pursuant to N.J.S.A. 18A:18B-1 et seq., including a safety engineering and other loss prevention and control techniques. Risk Management program also includes the administration of one or more funds, including the processing and defense of claims brought against or on behalf of members of the Fund.

**"RISK MANAGER"** means an individual, partnership or corporation engaged by the Fund, who has demonstrated prior experience in the management of public sector risks. The individual shall be an insurance producer, as defined under N.J.S.A. 17:22 A-1 et. seq.

*"**SECRETARY**" means the secretary of the Board of Trustees as may be designated by the Trustees.*

*"**SERVICING ORGANIZATION**" means an individual, partnership, association or corporation, other than the administrator, that has contracted with the Fund to provide, on the Fund's behalf, any function as designated by the Trustees including, but not limited to, actuarial services, claims administration, cost containment services, loss prevention/safety engineering services, legal services, auditing services, financial services, compilation and maintenance of the Fund's underwriting file, coordination and preparation of coverage documents, risk selection and pricing, excess insurance or reinsurance producer services, which include producer negotiations on behalf of the Fund for excess insurance or reinsurance from an insurer, member assessment and fee development, report preparation pursuant to N.J.S.A. 18A:18B-1 et. seq. and such other duties as designated by the Fund.*

*"**TRUSTEES**" or "**BOARD OF TRUSTEES**" means the governing body for the Fund as provided for by N.J.S.A. 18A:18B-5 and these Bylaws.*

*"**UNPAID CLAIMS**" or "**UNPAID LOSSES**" means case reserves and reserves for Incurred But Not Reported (IBNR) claims attributed to the Fund net of any recoverable per occurrence or aggregate excess insurance or reinsurance for a particular coverage or fund year.*

*"**WORKERS' COMPENSATION LAW**" means the provisions of N.J.S.A.34:15-7 et. seq.*

**ARTICLE IV - MEMBERSHIP**

**A. AGREEMENT TO JOIN THE FUND**

1. *Membership in the **Fund** shall be open to all New Jersey School Boards. The Boards may apply for membership by resolution of their respective Boards of Education.*
2. *The resolution shall provide for execution of a written agreement specifically providing for acceptance of the **Fund's** Bylaws as approved, adopted and/or amended by the **Trustees** of the **Fund**.*
3. *Initial and subsequent membership in the **Fund** shall be for a period of three (3) years.*
4. *All applicants to the **Fund** must also include a letter certifying that the school district has never defaulted on a claim, and has not been canceled for non-payment of insurance premiums for a period of at least two (2) years prior to the date of application.*
5. *All costs associated with preparing and submitting the application and all other necessary documents to the **Commissioner** shall be paid by the applicant.*
6. *Applicants must include an executed **indemnity and trust agreement**.*
7. *The **Trustees** may approve the application by majority vote based on the following criteria:*
  - a. *The applicant's five (5) year claims history shows safety performance consistent with the **Fund's** objectives and the applicant's physical location and makeup indicates a prospective likelihood of satisfactory future claim performance.*
  - b. *A safety inspection and evaluation conducted by the **Fund's** safety consultant at the expense of the applicant shows the applicant meets the **Fund's** safety standards.*
  - c. *The **Fund** has the administrative capability to absorb additional memberships without undue inconvenience or strain.*
8. *If the application is approved by the Fund, it shall be filed with the **Department** within 15 days and shall be accompanied by such amendments to the **Fund's** Bylaws, budget and Plan of Risk Management as may be required by the **Department**.*
9. *No new membership in the **Fund** shall become effective until the application and accompanying amendments to the **Fund's** Bylaws and Plan of Risk Management are approved as required by these Bylaws and, where applicable, state law or regulation.*

10. *If a non-member is not approved for membership, the **Fund** shall set forth in writing the reasons for disapproval and send the reason for disapproval to the non-member. The **Fund** shall retain a copy of all disapprovals for five years.*

## **B. CONDITIONS OF MEMBERSHIP**

*As a condition of membership, each school district shall:*

1. *Form a safety committee and actively participate in all **Fund** sponsored safety programs, agree to follow safety programs, and all safety and risk management procedures required by the **Fund**;*
2. *Promptly comply with the bylaws, **risk management plan**, and other requirements of the **Fund**;*
3. *Promptly pay all assessments charged to it, fees, charges or other obligations arising out of or related to the district's participation in the **Fund**;*
4. *Execute and comply with the **indemnity and trust agreements** furnished as part of the initial and subsequent membership requirements;*
5. *Comply with the statutes and regulations governing joint insurance funds; and*
6. *Actively participate in all **Fund** sponsored or directed meetings; programs or activities so as to ensure successful operation of the **Fund**.*

## **C. MEMBERSHIP RENEWALS**

1. ***Members** may renew their participation by execution of a new agreement to join the **Fund** as provided for in Section A above ninety (90) days prior to the expiration of the term period.*
2. *The **Trustees** must act upon any renewal application no later than forty-five (45) days prior to the expiration of the term period. Otherwise, the renewal application is automatically approved.*
3. *In order to deny a renewal application the **Fund** shall find, by majority vote of the **Trustees**, that the applicant has failed to fulfill its responsibilities as a **member** or no longer meets the **Fund's** written safety standards or other objective criteria duly adopted.*
4. *If a **member's** renewal application is rejected, the **Fund** shall comply with subsection D2, 3, and 4 below.*
5. *Non-renewal of a **fund member** does not relieve the **member** of responsibility for claims incurred during its period of membership.*

**D. TERMINATION AND/OR WITHDRAWAL OF FUND MEMBERS**

1. A **member** school district must remain in the **Fund** for the full term of membership unless earlier terminated by a two-thirds vote of the **Trustees** for nonpayment of assessments or continued noncompliance after written notice to comply with the fund's Bylaws, Risk Management standards, or other reason(s) acceptable to the **Commissioner**. However, such **member** school district shall not be deemed terminated until:
  - a. The **Fund** gives by registered mail to the **member** a written notice of its intention to terminate the **member** in thirty (30) days; and
  - b. Like notice shall be filed with the **Department**, together with a certified statement that the notice provided for above has been given; and
  - c. Thirty (30) days have elapsed after the filing required by "b" above.
2. A **member** of the **Fund** that does not desire to continue as a **member** after the expiration of its membership term shall give written notice of its intent ninety (90) days before the expiration of the term period. The **Fund** shall immediately notify the **Department** that the **member** has given notice to leave the **Fund**.
3. A **member** of the **Fund** that did not approve any amendment of the **Fund** Bylaws within 90 days after the effective date of any amendment to the bylaws, may withdraw from the **Fund**, pursuant to 18A:18B(4)(d). The **Fund** shall immediately notify the **Department** of all **members** that have given notice of withdrawal from the **Fund**.
4. A **member** that has been terminated or does not continue as a **member** of the **Fund** shall remain jointly and severally liable for claims incurred by the **Fund** and its **members** during the period of its membership, including, but not limited to being subject to and liable for supplemental assessments.
5. The **Fund** shall immediately notify the **Department** if the termination or withdrawal of a **member** causes the **Fund** to fail to meet any of the requirements of N.J.S.A. 18A:18B-1 or any other law or regulation of the State of New Jersey. Within fifteen (15) days of such notice, the **Fund** shall advise the **Department** of its plan to bring the **Fund** into compliance.
6. A **fund member** is not relieved of the claims incurred during its period of membership except through payment by the **Fund** or **member** of those claims.

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**ARTICLE V - ORGANIZATION**

**A. FUND COMMISSIONERS**

**1. Appointment**

- a. **Fund Commissioner:** *In the manner generally prescribed by law, each **member** school district shall appoint one (1) **Fund Commissioner** to the **Fund**. The **Fund Commissioner** appointed by a **member** school district must be either a board member or an employee of the school district.*
- b. **Alternate Fund Commissioner:** *Each **member** school district shall have the right to appoint one (1) alternate **Fund Commissioner** to attend meetings on behalf of the **member** in the absence of the **Fund Commissioner**. The alternate **Fund Commissioner** must be either a board member or an employee of the school district.*
- c. **Special Fund Commissioner:** *In the event that the number of **member** school districts is an even number, one (1) additional **Fund Commissioner** shall be appointed annually by a **member** school district on a rotating basis determined alphabetically.*

*The school district's privilege to appoint the **Special Fund Commissioner** shall remain with that school district for one entire **fund year** and the subsequent admission to the **Fund** of a school district with a preceding alphabetical prefix shall not deprive any school district already a **member** of the **Fund** of its prerogative to appoint a **Special Fund Commissioner** during a current **fund year**.*

**2. Terms of Office and Vacancy**

- a. *All terms of office shall expire on June 30 or until a successor is duly appointed and qualified.*
- b. *A **Fund Commissioner**, other than the **Special Fund Commissioner**, shall hold office for the remainder of his/her employment with the **member district**. Provided however, that in those cases wherein a vacancy is created by reason of separation of the **Fund Commissioner** from school district employment, such **Fund Commissioner** may serve for a period not to exceed ninety days (90) from the effective date of separation from employment. The decision as to whether a **Fund Commissioner** who has separated from district service shall continue in their capacity as provided herein shall remain with the **member district**.*
- c. ***Fund Commissioners** shall hold office at the pleasure of the school district and can be removed by the Board of Education at any time without cause provided, however, that any replacement **Fund Commissioner** subsequently appointed by the **member** board meet all of the qualifications for **Fund Commissioners** as established by these Bylaws.*



- d. *The Special **Fund Commissioner**, if any, shall serve until June 30 of the year following provided, however, that the Special **Fund Commissioner** may be removed by the appointing school board at any time without cause.*
- e. *The unexpired term of a **Fund Commissioner** other than the Special **Fund Commissioner**, shall be filled by the appointing school board in the manner generally prescribed by law and these Bylaws.*
- f. *In the event of a vacancy of the Special **Fund Commissioner** caused by reason other than the expiration of the term of office, the school board which appointed the Special **Fund Commissioner** shall appoint the replacement for the unexpired term.*
- g. *Any **Fund Commissioner** can be removed from office for cause by two-thirds vote of the full membership of the **Board of Trustees**. Upon such a vote, it shall be incumbent upon the **member** school board to replace the **Fund Commissioner**.*
- h. ***Fund Commissioners** shall serve without compensation from the **Fund** except as provided by law.*

### 3. **Responsibilities**

- a. *The **Fund Commissioners** shall, as soon as possible after the beginning of the **fund year**, meet to elect a **Board of Trustees** who shall be charged with operating the **Fund** in accordance with these Bylaws and applicable State Law and Regulation.*
- b. *Each **Fund Commissioner** shall have one vote provided, however that the Special **Fund Commissioner**, if any, shall only vote in the event of a tie.*

## **B. TRUSTEES**

- 1. ***Trustees** shall serve until June 30 of the following year, or until a successor is duly elected and qualified.*
  - a. ***Chairperson:** The **Chairperson** shall preside at all meetings of the **Trustees** and shall perform such other duties provided for in these Bylaws and the laws and regulations of the State of New Jersey.*
  - b. ***Vice Chairperson:** The Vice Chairperson shall exercise the responsibilities of the **Chairperson** in such persons absence.*
  - c. ***Secretary:** The **Secretary** shall preside over the meetings of the **Trustees** in the absence of the **Chairperson** and Vice Chairperson. Unless such responsibility is delegated to the **Fund's Administrator** by the **Trustees**, the **Secretary** shall have the responsibility to maintain minutes of the **Fund's** meetings and retain all books, records, files and other*

documents of the **Fund**, and shall perform such other duties as provided for in these Bylaws and the laws and regulations of the State of New Jersey. The **Secretary** shall maintain the books and records of the **Fund** at the office of the **Fund** as from time to time designated by the **Fund Trustees**. When record keeping responsibility has been delegated to the **Administrator**, the **Administrator** shall maintain said records at a location known to and approved by the **Fund** and the **Secretary** shall, at all reasonable times, have access to the records.

2. If the total number of **Fund Commissioners** exceeds nine (9), the **Fund Commissioners** shall, at the same time as they elect the **Chairperson**, Vice Chairperson, and **Secretary**, elect six (6) additional **Trustees** from among the membership of the **Fund Commissioners**. These six (6) additional **Trustees** shall serve with the **Chairperson**, Vice Chairperson, and **Secretary** as the **Board of Trustees** for the **Fund**.
3. In the event of a vacancy in any of the **Trustee** positions caused by other than the expiration of the term of office, the vacancy shall be filled by the vacated **Trustee's member district**.
4. Any **Trustee** can be removed without cause at any time by a two-thirds vote of the full membership of the **Fund Commissioners**. In this event, the full membership of the **Fund Commissioners** shall fill the vacancy for the unexpired term.
5. The **Trustees** shall serve without compensation from the **Fund** except as provided by State Law.
6. The **Trustees** are hereby authorized and empowered to operate the **Fund** in accordance with these Bylaws and applicable State Law and Regulation.
7. A **Trustee's member district's** alternate fund commissioner shall serve in the absence of that **Trustee**. They shall be authorized to fully perform those duties and responsibilities of the absent **Trustee**.

### **C. ADMINISTRATOR AND SERVICING ORGANIZATIONS**

As soon as possible after the beginning of each **fund year**, the **Board of Trustees** shall meet and by majority vote shall select an **administrator**, **servicing organizations** including a **risk manager**, and other services as necessary to carry out the duties pursuant to "Public Schools Contracts Law."

1. The **administrator** and all **servicing organizations** shall be retained on a contractual basis which shall be approved by the **Board of Trustees**. The **administrator**, **servicing organizations** and other services shall be compensated pursuant to written fee contracts approved by a majority of the **Board of Trustees** and submitted to the **Department**. The written contracts shall specify the duration and scope of services.

2. a. *No **servicing organization** of the **Fund**, or **producer** that may be appointed pursuant to N.J.A.C. 11:15-4.6(a)10, or their employees, officers or directors shall have either a direct or indirect financial interest in the administration of the **Fund** or be an employee, officer or director of the **administrator** unless notice of such interest has been provided to the **Fund Commissioners and members**.*
- b. *No **administrator** of the **Fund**, or their employees, officers or directors shall be an employee, officer or director of, or have either a direct or indirect financial interest in, a **servicing organization** of the **Fund**, or the insurance producer that may be appointed by the **Fund** pursuant to N.J.A.C. 11:15-4.6(d)10 unless notice of such interest has been provided to the **Fund Commissioners and members**.*
- c. *Any employee, officer or director of the **administrator, servicing organization** or insurance **producer** that may be appointed pursuant to N.J.A.C. 11:15 4.6(d)10 shall disclose to the **Fund Commissioners** or **Board of Trustees**, as applicable, any direct or indirect financial interest such employee, officer or director has in any other **administrator, servicing organization** or insurance **producer**.*
3. *Each service contract shall include a clause stating "unless the **Fund Commissioners** otherwise permit, the **servicing organization** shall handle to its conclusion all claims and other obligations incurred during the contact period."*
4. *The **administrator, risk manager, servicing organizations**, and such others shall provide errors and omissions and surety bond coverage if required by law or by the **Board of Trustees** in a form and amount satisfactory to the **Commissioner** and/or the **Board of Trustees**, if applicable. The **Board of Trustees** may also require the **administrator, servicing organizations** and such others to provide other insurance coverage as a requirement of their contract in an amount acceptable to the **Board of Trustees**.*
5. *All officers, employees and agents, including the **administrator** and **servicing organization** of the **Fund**, on the final day of their contract or employment shall surrender and deliver to their successors all accounts, funds, property, records, books and any other material relating to their contract or employment, or if no successor has been designated, delivery shall be made to the **administrator** or **Fund Chairperson**, as applicable.*

#### **D. SERVICE AGENT**

*The **Fund** shall designate and appoint an agent in New Jersey to receive service and process on behalf of the **Fund**. The Service Agent shall not be a **Trustee** or **Fund Commissioner** of the **Fund**.*

**ARTICLE VI - INDEMNIFICATION OF OFFICERS AND EMPLOYEES**

1. *Except to the extent covered by Errors and Omissions insurance as may be required, as set forth in C.4, the **Fund** shall indemnify any past, present or future **fund commissioners** or Alternate **fund commissioners**, and may indemnify such other officials or contract providers as the **Board of Trustees** determines, for claims arising from an act or omission of such person within the scope of the performance of their duties. Such indemnification shall include reasonable cost and expenses incurred in defending such claims. Nothing contained herein shall require the **Fund** to pay punitive damages or exemplary damages or damages arising from the commission of a crime by such person and the **Fund** shall not be required to provide for the defense or indemnification of such person when the act or omission which caused the injury was the result of actual fraud, malice, gross negligence or willful misconduct of such person. The determination as to whether a person's conduct falls within any of the above exceptions shall be made by the **Board of Trustees**.*
2. *A present, past or future **Fund Commissioner**, Alternate **Fund Commissioner**, official or contract provider of the **Fund** shall not be entitled to a defense or indemnification from the **Fund** unless:
  - a. *Within ten (10) calendar days of the time he or she is served with the summons, complaint, process, notice or pleading, he or she delivers the original or exact copy to the **Fund Chairperson** with a copy to the **Fund** attorney, together with a request that the **Fund** provide for his or her defense; and*
  - b. *In the event the **Fund** provides a defense or indemnification, he or she cooperates in the preparation and presentation of the defense with the attorney selected to defend the case; and*
  - c. *Except in those instances where a conflict of interest exists, as determined by an attorney selected by the **Fund** to handle such matters, the past, present or future **Fund Commissioner**, Alternate **Fund Commissioner**, official, or contract provider shall agree that the **Fund** and its counsel shall have exclusive control over the handling of the litigation.**
3. *The forgoing right of indemnification shall not be exclusive of any other rights to which any **Fund Commissioner**, Alternate **Fund Commissioner**, official, or contract provider may be entitled as a matter of law or which may be lawfully granted to him or her; and the right to indemnification hereby granted by this **Fund** shall be in addition to and not in restriction or limitation of any other privilege or power which the **Fund** may lawfully exercise with respect to the indemnification or reimbursement of such person except that in no event shall such person receive compensation in excess of the full amount of a claim and reasonable costs and expense incurred in defending such claim.*
4. *Expenses incurred by any **Fund Commissioner**, Alternate **Fund Commissioner**, official, or contract provider in defending an action, suit or proceeding may be paid by the **Fund** in advance of final determination of such action, suit or proceeding as authorized by the **Fund** in a specific case upon receipt of an undertaking by or on behalf of such **member** or officer to repay such amount in the event of an ultimate determination that his or her conduct was such as to fall outside the scope of coverage under this indemnification provision.*

**ARTICLE VII - SAFETY COMMITTEE**

1. **Membership:** *Each member district's Fund Commissioner shall appoint a district employee to serve on the Fund's Safety Committee. Each districts' Fund Commissioner shall also select an alternate, and each member and alternate on the Safety Committee shall serve at the pleasure of the appointing Fund Commissioner. The Committee may also request additional members to join the Committee.*
2. **Organization:** *At the beginning of each year, the Safety Committee shall select a Chairperson, a Vice Chairperson, and a Secretary.*
3. **Duties:** *The Safety Committee shall meet according to the schedule established by the Chairperson and shall include, but not be limited to the following duties or responsibilities:*
  - a. *Work with the safety engineering service organization to develop a comprehensive safety and loss control program.*
  - b. *Review all accident reports and monitor accident trends and frequencies.*
  - c. *Coordinate the annual safety inspections and identify locations requiring more frequent inspections.*
  - d. *Conduct safety education programs.*
  - e. *Review the activities of each school district's Safety Committee and notify the Trustees if any school district is not conducting an active safety program.*
  - f. *Perform such other duties that are requested by the Trustees, or are provided for by State regulation and law.*

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**ARTICLE VIII - OPERATION OF THE FUND**

**A. GENERAL OPERATION**

1. *The **Fund** shall be subject to and operate in compliance with the provisions of the "Schools Fiscal Affairs Law" (N.J.S.A. 18A:4-14 and N.J.A.C. 6:20-2.1 et seq), and the "Public Schools Contracts Law" (N.J.S.A. 18A:18A1 et seq).*
2. *The **Fund** shall be considered a local unit for purposes of the "Public Schools Contracts Law" (N.J.S.A. 18A:18A1 et seq) and shall be governed by the provisions of that law in the purchase of any goods, materials, supplies and service.*
3. *The **Fund** shall be operated with sufficient aggregate financial strength and liquidity to assure that all obligations will be promptly met. The **Fund** shall prepare a financial statement on a form acceptable to the **Commissioner** showing the financial ability of the **Fund** to meet its obligations. The **Trustees** may, upon majority vote, request the **Commissioner** to order an examination of any **fund member** which the **Trustees**, in good faith believes may be in a financial condition detrimental to other **fund members** or to the public.*
4. *The **Fund's** fiscal year shall be July 1 through June 30.*

**B. RISK MANAGEMENT PLAN**

1. *The **Trustees** shall prepare or cause to be prepared a **risk management plan** for the **Fund**. The Plan shall include, but not be limited to:*
  - a. *The perils of liability to be insured against.*
  - b. *Limits of coverage, whether self-insurance, direct insurance purchased from a commercial carrier or reinsurance.*
  - c. *The amount of risk to be retained by the **Fund**.*
  - d. *The proposed method of assessing contributions to be paid by each **member** of the **Fund**.*
  - e. *Such other items required by state law, regulation, or the **Fund Trustees**.*
2. *The **risk management plan** and all amendments thereto must be approved by the **Trustees**, and the **Commissioner** before it takes effect.*

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**C. FINANCIAL STATEMENT AND REPORTS**

1. *The **Fund** shall provide its **members** with periodic reports concerning the activities and status of the **Fund** for the reporting period. Such reports shall be made at least quarterly and may be made more frequently at the discretion of the **Trustees**.*
2. *A sworn annual report in a form prescribed by the **Commissioner** shall be prepared by the **Fund**, filed with the **Department**, and made available to each **fund member** on or before December 31 of each year. The report shall be accompanied by:*
  - a. *An annual audited statement of the financial condition of the **Fund** prepared by an independent certified public accountant and performed in accordance with generally accepted accounting principles, which shall include a statement of the organization of the **Fund** indicating the persons who perform each function for the **Fund** and the relationship and interdependency of each function, and including its balance sheet and receipts and disbursements for the preceding year.*
  - b. *An annual audited statement of the financial condition of the **Fund** prepared by the Auditor and performed in accordance with generally accepted accounting principles and P.L. 1983, c.108.*
  - c. *Reports of outstanding liabilities showing the number of claims, amounts paid to date and current reserves for losses, claims and unearned assessments as certified by an **actuary**.*
  - d. *In addition to the reports required pursuant to (a) above, for the initial two fiscal years of a fund, a fund shall file with the **Department** quarterly unaudited statements of the financial condition of the fund in a form acceptable to the **Commissioner** within 60 days after the end of each calendar quarter. After the initial two years, a fund shall file with the **Department** semiannual unaudited statements of the financial condition of the **Fund** in a form acceptable to the **Commissioner** within 60 days after the end of each six month period. The semi-annual report covering the six month period ending June 30 shall include a compilation of the results reported in the semi-annual report for the period ending December 31 immediately preceding. All statements filed pursuant to this subsection shall include the information set forth in (a) above, except that certification by a certified public accountant or the actuarial opinion statement shall not be required.*

**D. COVERAGES**

*The **Fund** may offer any coverages to the **members** allowed by statute. Each type of the following of coverage will be separate and independent of each other.*

1. ***Workers' compensation and employers' liability.***

2. *Liability coverage including school board legal liability and motor vehicle liability*
3. **Property damage** (buildings, contents, equipment, and motor vehicles)
4. *Boiler and Machinery*

*With respect to **workers' compensation**, the following will be provided for:*

1. *Benefit levels will equal those required by the **Workers' Compensation Act**, and provide for prompt payment of benefits.*
2. *A minimum contribution from all participants of \$250,000 for the **Fund's** first year of operation. Thereafter a minimum of \$500,000, unless otherwise approved by the **Commissioner**.*
3. *Assessments will be based on the merit rating plan filed with the **Commissioner**.*



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**ARTICLE IX - MEETINGS AND RULES OF ORDER**

**A. MEETINGS**

1. **Annual Organization Meeting** - as soon as possible after the beginning of the year, the **Fund Commissioners** shall meet to elect a **Board of Trustees** comprised of a **Chairperson**, Vice Chairperson, **Secretary**, and (if applicable) six (6) additional **Trustees** to appoint officials and conduct such other business as is necessary. The time and place for the meeting shall be established by the **Chairperson**, and the **Secretary** shall send written notice to the **Fund Commissioners** of member school districts at least two (2) weeks in advance.
2. **Regular Business Meetings** - the **Trustees** shall establish a schedule of regular meetings to conduct the business of the **Fund**, which shall be at least quarterly. All Commissioners may attend open or closed sessions of the **Trustees**.
3. **Special Meetings** - the chairperson or three (3) **Trustees** may call a special meeting by notifying the **Secretary** at least three (3) days in advance. The **Secretary** shall notify the **Trustees** by telephone. If the **Secretary** is unable to reach a Trustee or **Trustees** forty-eight (48) hours before the meeting, the **Secretary** shall telephone one or more Alternate **Trustees** as may be required to achieve a quorum as defined by these Bylaws. The Alternate **Trustees** shall be called in order of position.
4. **Quorum** - the quorum for a full meeting of the **Trustees** shall be a simple majority of the **Trustees**.

**B. CONDUCT OF MEETINGS**

1. All meetings of the **Fund** shall be subject to the rules and regulations of the Open Public Meetings Act.
2. Unless otherwise provided in these Bylaws, or in the laws or regulations of the State of New Jersey, "Robert's Rules of Order" shall govern the conduct of all meetings.

**C. AMENDMENTS TO THE BYLAWS**

1. Any **Fund Commissioner** may propose an amendment to the Bylaws by filing the proposed amendment in writing with the **Secretary**.
2. Upon receipt of a proposed amendment, the **Secretary** shall notify the **Chairperson** who shall schedule a hearing to be held not more than forty-five (45) days from the date the amendment was filed. The **Secretary** shall notify in writing all **Trustees** and **Fund Commissioners** of the hearing date and shall send a copy of the proposed amendment to each **Fund Commissioner** and **Trustee**.

3. *The amendment is adopted by the **Fund** when the Boards of Education of three-fourths of the **member** school district approve the amendment within ninety (90) days of the hearing on the amendment. If after ninety (90) days the **secretary** has not received written notice of approval from sufficient school districts, the **secretary** shall notify the **Trustees** and **Fund Commissioners** that time has expired for the adoption of the amendment.*
4. *A **member** of the **Fund** that did not approve any amendment of the **Fund** Bylaws within 90 days after the effective date of any amendment to the Bylaws, may withdraw from the **Fund**, pursuant to 18A:18B(4)(d). The **Fund** shall immediately notify the **Department** of all **members** that have given notice of withdrawal from the **Fund**.*
5. *If adopted, the amendment shall not take effect until approved by the **Commissioner**.*

**ARTICLE X - BUDGETS**

**A. BUDGET PREPARATION**

*In May of each year, the **Trustees** shall prepare the budget for the upcoming fiscal year. The budget will identify proposed items and amounts of expenses for its operations, the anticipated amounts and sources of assessments and other income, and the status of the self-insurance or loss retention accounts. The budget shall be prepared on a basis that does not recognize investment income or discounting of claim reserves, but recognizes all anticipated or forecasted losses and administrative expenses associated with that fiscal year.*

**B. BUDGET ADOPTION**

- 1. Not later than June 30 of each year, the Board of **Trustees** shall adopt by majority vote the budget for the **Fund's** operation for the coming fiscal year. However, the budget shall not be adopted until a public hearing has been held giving all members the opportunity to comment.*
- 2. A copy of the adopted budget shall be filed with the governing body of each **member** and the Commissioner within thirty (30) days of its adoption. The submission shall include a certification by an **actuary** that the budget is actuarially sound with respect to funding for the claim or loss retention **Fund** account.*
- 3. A copy of the **Fund's** proposed budget shall be sent to each **member** at least two weeks prior to the time scheduled for its adoption.*
- 4. An adopted budget may be amended by majority vote of the **Board of Trustees**, after giving the **members** two (2) weeks advance written notice and conducting a public hearing on the proposed amendment.*
- 5. A copy of any amendment to the budget shall be filed quarterly with the governing body of each **member**.*
- 6. A copy of any amendment to the budget shall be filed with the **Commissioner** within thirty (30) days of the adoption of any budget amendment which either singly or cumulatively with other adopted budget amendments changes the total budget five percent from the original budget or the latest filed amended budget.*

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**ARTICLE XI - ASSESSMENTS**

**A. ANNUAL ASSESSMENT**

1. *In May of each year, the **Board of Trustees** shall compute, or cause to be computed, each **member's** assessments for the upcoming **fund year**. The **Board of Trustees** shall consider the nature of each **member's** exposure, historical claims experience and such other factors as it deems appropriate in computing each **member's** assessment. The computation shall balance the element of rate responsiveness with assessment stability. The **Board of Trustees** may also adopt a capping formula which stabilizes the annual fluctuation in any **member's** assessment.*
2. *Each **member's** annual assessment shall consist of an amount allocated for the administrative account plus specific assessment to establish and/or replenish the claim or loss retention trust fund account for each type of coverage provided by the **Fund** and in which such **member** participates.*
3. *Unless otherwise approved by the **Commissioner**, the assessment for **workers' compensation** and **employers' liability** shall be based upon the experience rating plan provided for in the New Jersey workers' compensation and Employer's Liability Insurance Manual on file with the **Commissioner**.*
4. *The total amount of each **member's** annual assessment shall be certified by majority vote of the **Board of Trustees** to the governing body of each **member** at least one (1) month prior to the beginning of the next fiscal year.*
5. *The annual assessment shall be paid to the **Fund** in installments, to be determined by the **Board of Trustees**, which shall conform with N.J.A.C. 11:15-4.15(a).*
6. *The Treasurer shall deposit and record each **member's** assessment into the appropriate accounts, including the administrative account and the claim or loss retention trust fund account.*
7. *If a **member** joins the **Fund** after the start of the **fund year**, such **member's** assessments and supplemental assessments shall be reduced in proportion to that part of the year which had elapsed.*

**B. SUPPLEMENTAL ASSESSMENTS**

1. *The **Board of Trustees** shall, by majority vote, levy upon the **members** additional assessments whenever needed or so ordered by the **Commissioner** to supplement the fund's claim or loss retention or administrative accounts to assure the payment of the **Fund's** obligations.*
2. *The **Fund** shall submit to the **Commissioner** a report of the causes of the **Fund's** insufficiency, if any, the assessments necessary to replenish it and the steps taken to prevent a reoccurrence of such circumstances.*

**C. FAILURE OR REFUSAL TO PROVIDE REQUIRED ASSESSMENTS**

*Should any **member** fail or refuse to pay its assessments or supplemental assessments, or should the **Fund** fail to assess funds required to meet its obligations, the **chairperson** or in the event of his or her failure to do so, the custodian of the **Fund's** assets, shall notify the **Commissioner**. Past due assessments shall bear interest at the rate of interest to be established annually by the **Trustees**.*

*The Board of **Trustees** shall take appropriate action when necessary to collect any contributions in default or arrears.*

**D. INSOLVENCY AND/OR BANKRUPTCY OF FUND MEMBERS**

*The insolvency or bankruptcy of a **member** does not release the **Fund**, or any other **member**, of joint and several liability for the payment of any claim incurred by the **member** during the period of its membership, including, but not limited to, being subject to and liable for supplemental assessments.*

**ARTICLE XII - REFUNDS AND INTERYEAR FUND TRANSFERS**

- A. Any monies for a **fund year** in excess of the amount necessary to fund all obligations for that fiscal year as certified by an **actuary** may be declared to be refundable by the **Fund** no less than twenty-four (24) months after the end of the fiscal year.
- B. The **Fund** may seek approval from the **Commissioner** to make initial refund payments from a claims or loss retention fund account remaining from any year which has been completed at least twenty-four (24) months by submitting a written notification to the **Department** with accompanying documentation as set forth in this subsection, at least thirty (30) days prior to the proposed refund. If the **Commissioner** does not disapprove, in writing, the request to make a refund within the thirty (30) day period, the request shall be deemed approved. The **Commissioner** may also affirmatively approve the request prior to the expiration of the thirty (30) day period. The written notification shall be accompanied by appropriate documentation including, but not limited to, assessment, claims and expense detail; actuarial certification that the loss and loss expense reserves are adequate for the **Fund** to have an overall **surplus** for that fiscal year; and such other information that the **Commissioner** may require. The initial and any subsequent refund for any year from a claim or loss retention trust account may be in any amount subject to the limitation that after the refund, the remaining **net current surplus** in the account from which the refund is made must equal or exceed the **surplus** retention requirement to be calculated as follows:
1. **Fund year** paid losses shall be multiplied by the appropriate paid loss factor for the line of coverage and duration of maturity set forth in the Appendix to 11:15-4.1 et. seq. (Exhibit E) in the Appendix incorporated herein by reference;
  2. **Fund year** unpaid claim reserves, excluding reserves for incurred but not reported claims, shall be multiplied by the appropriate unpaid claim factor for the line of coverage and duration of maturity set forth in the appendix to 11:15-4.1 et seq. (Exhibit E) in the Appendix incorporated herein by reference. Unpaid claim reserves, excluding reserves for incurred but not reported claims, shall be established at full value and not discounted.
  3. The greater of the results from the calculation set forth in B.1 and 2 above shall then be reduced by the amount of outstanding losses reported, including incurred but not reported claims, as certified by an **actuary**. The result of this calculation, but not less than zero, shall be the **surplus** retention requirement for that **fund year**.
- C. A full and final refund of **net current surplus** will not be allowed until all case reserves and reserves for Incurred But Not Reported (IBNR) claims have been closed.
- D. A refund for any fiscal year shall be paid only in proportion to the **member's** participation in the **Fund** for such year. Payment of a refund on a previous year is not contingent on the **member's** continued membership in the Fund after that year.

- E. At the option of the **member** the refund may be retained by the **Fund** and applied towards the **member's** next annual assessment.
- F. A **Fund** may seek approval from the **Commissioner** to make **interyear fund transfers** from a claims or loss retention trust account from any year not sooner than twenty-four (24) months after the end of that year by submitting a written notification to the **Department** with appropriate documentation as set forth in B. above at least thirty (30) days prior to the proposed transfer. If the **Commissioner** does not disapprove, in writing, the request within the thirty (30) day period, the request shall be deemed approved. The **Commissioner** may also affirmatively approve the request prior to the expiration of the thirty (30) day period. The **interyear fund transfer** may be in any amount subject to the limitation that after the transfer, the remaining **net current surplus** in the account from which the transfer is made must equal or exceed the surplus retention requirement determined pursuant to B. above for that account for the fiscal year. The membership for each fiscal year involving **interyear fund transfers** must be identical between fiscal years. The **Commissioner** shall waive the identical membership requirement provided the **Fund** demonstrates to the **Department** that it maintains records of each **member's** pro rata share of each claim or loss retention fund account, and that the transfer shall be made so that any potential dividend shall not be reduced for a **member** that did not participate in the year receiving the transfer.

**ARTICLE XIII - EXCESS INSURANCE**

- A. *The **Fund** shall maintain a contract or contracts of specific and aggregate **excess insurance** or reinsurance, consistent with N.J.A.C. 11:15-4.23.*
- B. *No later than forty-five (45) days before the beginning of the fiscal year, the **Fund** shall notify all **members** of changes in the coming year's **excess insurance** policies. The **Fund** shall also notify the **members** of any changes in the policies which occur during the year.*
- C. *Certificates of **excess insurance**/reinsurance showing policy limits and other information shall be filed with each **member** and the **Commissioner**. Copies of all policies shall be provided to the **members**.*

*Notwithstanding above:*

- 1. *The **Fund** is not required to maintain single accident (single occurrence) **excess insurance** if the **Fund's** single accident (single occurrence) limit of liability as set in its approved plan of risk management is equal to or less than its single accident (single occurrence) self-insured retention as approved by the **Department**.*
- 2. *The **Fund** is not required to maintain aggregate **excess insurance** if its accumulated budgeted losses defined at N.J.A.C. 11:15-4.23(g) qualify the **Fund** for an exemption pursuant to N.J.A.C. 11:15-4.23(f), or the **FUND** maintains an excess loss contingency account or fund in the claims or loss retention account in conformance with N.J.A.C. 11:15-4.23(f).*



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**ARTICLE XIV - TRUST FUND ACCOUNTS, INVESTMENTS AND DISBURSEMENTS**

**A. ESTABLISHMENT OF TRUST FUND ACCOUNTS**

1. *By resolution of the **Trustees**, the **Fund** shall designate a public depository or depositories for its monies from a list approved by the State of New Jersey.*
2. *The **Fund** may establish separate Trust Fund Account for the purposes of the payment of claims, allocated claim expenses and **excess insurance** premiums for each line of coverage by **fund year**. Such accounts shall be designated as Claims or Loss Retention Fund Accounts. In lieu of establishing separate trust accounts, the **Fund** may provide for the recording and accounting of all transactions by **fund year** for each risk or liability.*
3. *Other than for the payment of claims, allocated claim expenses or excess/reinsurance premiums, no withdrawal may be effected from a claim or loss retention fund without the prior written approval of the **Commissioner**, except for **intertrust fund transfers**. **Intertrust fund transfers**, within a **Fund's** fiscal year, may be conducted by the **Fund** at any time, by providing thirty (30) days prior written notification to the **Commissioner**. If the **Commissioner** does not disapprove of the transfer, in writing, within thirty (30) days after receiving such written notification, the request for **intertrust fund transfer(s)** shall be deemed approved. Any **intertrust fund transfer** request must be supported by appropriate assessment and claim and expense documentation, and be accompanied by a certification signed by an **actuary** that the amount remaining in the trust fund account after the **intertrust fund transfer** will be at a level which is reasonable in relation to the account's unpaid losses, along with all documentation in support of such certification. **Intertrust fund transfers** may be conducted only where each **member** participates in each and every claim or loss retention fund account during that **fund year**. The **Commissioner** shall waive the full participation requirement provided the **Fund** demonstrates to the **Department** that it maintains records of each **member's** pro-rata share of each claim or loss retention fund account for that year, and that the transfer shall be made so that any potential dividend shall not be reduced for a **member** that did not participate in the account receiving the transfer.*
4. *The **Fund** shall also establish an administrative account which shall be utilized for payment of the **Fund's** general operating expenses, loss prevention activities, data processing services, and general legal expenses. The **Fund** shall maintain records of each member's pro-rata share of each administrative account.*

**B. INVESTMENTS**

1. *The balance of any account shall be invested to obtain the maximum interest return practical. All investments shall be in accordance with the **Fund's** Cash Management Plan and consistent with the statutes and regulations governing the investment of surplus public funds as issued by the State Investment Council.*

2. *The investment and interest income earned by the investment of the assets of each claim or loss retention account shall be credited to each account.*
3. *The investment and interest income earned by investment of the assets of the administrative account shall be credited to that account.*

**C. DISBURSEMENTS**

1. *Prior to any commitment or agreement requiring the expenditure of funds, the custodian of the fund's assets shall certify as to the availability of sufficient unencumbered funds to fully pay all charges or commitments to be accepted.*
2. *All disbursements, payments of claims or expenditure of funds must be approved by a majority vote of the **Trustees**.*
3. *Notwithstanding numbers 1 and 2 above, the **Fund** may provide for the expeditious resolution of certain claims by designating the **Fund's Administrator** or **service organization** as a "certifying and approving officer" pursuant to N.J.S.A. 18A:19-1. The **Fund** may authorize the "certifying and approving officer" to approve for payment any or all specified claims in an amount not to exceed an amount approved by the **Commissioner** in the Risk Management Program. The **Fund** shall establish such other procedures and restrictions on the exercise of this authority as the **Fund** deems appropriate.*
4. *Upon approval, the certifying and approving officer shall certify the amount and particulars of such approved claims to the custodian of the **Fund's** assets directing that a check for payment be prepared.*
5. *Each month, the certifying and approving officer shall prepare a report of all claims approved since the last report, detailing the nature and the amount of the claim, the payee, the reasons supporting payment and any other pertinent information. This report shall be reviewed and approved or rejected by vote of the **Trustees** at their next regularly scheduled meeting. If any payment is not approved, appropriate action shall be taken.*
6. *All requests for payments must be accompanied by a detailed bill of items or demand, specifying particularly how the bill or demand is made up, with the certification of the party claiming payment that it is correct, and must carry the certification of some officer or duly designated agent or employee of the **Fund** having knowledge of the fact that the goods have been received by, or the services rendered to the **Fund**. In the case of claims or losses to be charged against any loss fund, the **Fund's** Claims Administrator shall certify as to the claim's correctness and validity.*

7. *All claims shall be paid by check. The checks shall be signed by two persons designated by the **Trustees**.*
8. *All claims or other disbursements approved for payment by the **Fund** shall be recorded in a claims register maintained by the custodian of the fund's assets.*

**ARTICLE XV - CONFLICT OF INTEREST**

- A. All school officials and **members** of their immediate families shall comply with N.J.S.A. 18A:12-21 et. seq. (the "School Ethics Act") and any other applicable law governing the conduct of **members**, officers or employees of school boards.

**ARTICLE XVI - VOLUNTARY DISSOLUTION OF THE FUND**

- A. *If the **Trustees** deem it in the best interest of the **members** to dissolve the **Fund** they shall, by majority vote, direct that a written plan of dissolution be prepared.*
- B. *The plan of dissolution must provide for the payment of all incurred losses of the **Fund** and its **members**, including all incurred but not reported losses, as certified by an **actuary**, before any assets of the **Fund** or the trust fund accounts may be used for any other purpose.*
- C. *Upon completion of the plan, the **Chairperson** shall call a general meeting of all **Fund Trustees** who shall review the plan and make any appropriate amendments. By majority vote, the **Trustees** may recommend that the **Fund** be dissolved in accordance with the plan of dissolution.*
- D. *A majority of the Boards of Education of the **member districts** must by resolution vote to accept the plan of dissolution in order to dissolve the **Fund**.*
- E. *The plan of dissolution and other such information as may be required, must be filed with and approved in writing by the **Commissioner** before the dissolution of the **Fund** is effective.*
- F. *The plan of dissolution shall contain a statement of the **Fund's** current financial condition computed both on a statutory basis and according to generally accepted accounting principles as attested to by an independent certified public accountant.*

**ARTICLE XVII - CLAIMS HANDLING PROCEDURE**

**A. REGISTRATION OF CLAIMS**

*Upon receipt of initial notice of claim, whether by service of process, notice of claim, petition or otherwise, the Claims Administrator shall cause each claim to be numbered, and to be included on a monthly report. The monthly report shall set forth the name of the claimant, the nature of the claim, the type of insurance coverage claimed against and, to the extent known, an approximate estimate of the magnitude of the potential loss.*

**B. CLAIMS RESPONSE**

*Upon receipt of the initial notice of claim described above, the **member** shall immediately forward the notice of claim and any other information available to the claims **servicing organization** for initial contact, investigation, court action or other appropriate response.*

**C. CLAIMS ACKNOWLEDGEMENT AND INITIAL EVALUATION**

*Upon receipt of an assignment of claim handling, the Claims Administrator and, where appropriate, the defense attorneys shall acknowledge receipt of the claim and within thirty (30) days of receipt, submit a report indicating their initial assessment of the merits and exposure represented by the claim and a summary of the actions taken to date in response to said claim.*

**D. PERIODIC REVIEW OF CLAIM STATUS**

*Each claim shall be reviewed at intervals of not greater than ninety (90) days as to their status. Periodically, the **Trustees** shall determine whether the investigation and defense of the claim is adequate, and the adequacy of the reserves posted for the claim.*

**E. NOTICE OF SETTLED CLAIMS**

*Where permitted by the Bylaws, and settlements have been concluded without action of the **Trustees**, a complete report thereof as provided to the applicable **member**.*

**F. NOTICE OF INTENDED SETTLEMENT**

*Whenever an investigation discloses that the prompt, fair and equitable settlement of a claim is appropriate and possible, the claims service agency shall submit to the **Administrator** for review at a meeting of the **Trustees** a notice of recommended settlement. This notice shall be on forms approved by the **Trustees** and shall set forth identifying information concerning the claims recommendations, the legal liability of the **Fund**, a summary of investigative work concerning the merits of the claim and the reasons underlying the recommended settlement.*

**G. APPROVAL OF PAYMENTS AND SETTLEMENTS**

*Whenever the **Fund** shall make any payment or settlement of any claim, a notation thereof identifying the claim, the amount paid and the reasons underlying the payment shall be approved by the **Trustees** and entered upon a ledger of claims paid.*

**ARTICLE XVIII - COMPLAINT HANDLING PROCEDURE**

- A. *Whenever any interested party shall submit a complaint in writing to the **Fund**, the **Fund Administrator**, or any **member** of the **Fund**, a copy thereof shall be forthwith communicated to the **Trustees** for consideration at its next regularly scheduled meeting.*
- B. *At said meeting, the **Trustees** shall consider the complaint, and by recorded vote take such action as might be appropriate.*
- C. *The complaining party, and the Trustee or **Fund Commissioner** from the **member district** wherein the complaining party resides (if the complaining party is a resident of a **member** school district) as well as the **Commissioner** (upon request) shall receive written notice of the **Trustees'** findings. The written notice to the complaining party, may where appropriate, include an opportunity for the complaining party to have a hearing concerning their complaint before the full **Trustees**.*
- D. *The **Fund** shall keep a separate record of all complaints received and the disposition of same.*



**ARTICLE XIX - ARBITRATION**

*Every controversy, dispute, difference, or claim between the **Fund** and a **member** of the **Fund** shall be submitted to and settled by arbitration. This includes any dispute concerning whether insurance coverage may be owed by the **Fund** to any employee, official, etc. of any **member**. Either the **member** or the **Fund** must request arbitration for a given controversy within the applicable statute of limitations for such controversy. Such arbitration shall be conducted by a panel of three arbitrators, which shall consist of a **Fund Commissioner** designated by the affected **member(s)** (which cannot be that unit's **Fund Commissioner**), a **Fund Commissioner** designated by the Board of **Trustees**, and a **Fund Commissioner** who shall be chosen by the aforesaid arbitrators. The arbitration shall be conducted in accordance with procedures established by the Board of **Trustees**. The **member(s)** and the **Fund** shall bear their own costs in prosecuting/defending the arbitration. Judgement upon the award rendered by majority vote of the panel may be entered in any court having jurisdiction thereof.*

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**ARTICLE XX - OTHER CONDITIONS**

**A. INSPECTION AND AUDIT**

The **Fund** shall be permitted but not obligated to inspect, at any reasonable time, the workplace and operations of each **member district** covered by this Agreement. Neither the right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking on behalf of or for the benefit of the **member district** or others to determine or warrant that such workplace, operations, are safe or healthful, or are in compliance with any law, rule or regulation.

The **Fund** shall be permitted to examine and audit the **member district's** payroll records, general ledger, disbursements, vouchers, contracts, tax reports and all other books, documents and records at any reasonable time as far as they show or tend to show or verify the amount of remuneration or other premium basis, or relate to the subject matter of this Agreement.

**B. NOTICE OF INJURY**

When an injury occurs, written notice shall be given by or on behalf of the **member district** to the **Fund** or any of its authorized agents as soon as practicable. Such notice shall contain particulars sufficient to identify the **member district** and also reasonably obtainable information respecting the time, place and circumstances of the injury, the names and addresses of the injured and of available witnesses.

**C. NOTICE OF CLAIM OR SUIT**

If claim is made or formal petition or a suit or other proceedings is brought against the **member district**, the **member district** shall immediately forward to **Fund** every demand, notice, summons or other process received by him or his representative.

**D. ASSISTANCE AND COOPERATION OF THE MEMBER DISTRICT**

The **member district** shall cooperate with the **Fund**, and upon the **Fund's** request shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses and in the conduct of suits or proceedings. The **member district** shall not, except at its own cost, voluntarily make any payment, assume any obligation or incur any expense other than for such immediate medical and other services at the time of injury as are required by the **Workers' Compensation Law**.

**E. ACTION AGAINST FUND**

No action shall lie against the **Fund** unless, as a condition precedent thereto, the **member district** shall have fully complied with all the terms of this Agreement, not until the amount of the **member district's** obligation to pay shall have been finally determined either by judgement against the **member district** after actual trial or by written agreement of the **member district**, the claimant and the **Fund**. Any person or organization or the legal representative thereof who has secured such

*judgement or written agreement shall thereafter be entitled to recover under this Agreement to the extent of the protection afforded by this Agreement. Nothing contained in this Agreement shall give any person or organization any right to join the **Fund** as a codefendant in any action against the **member district** to determine the **member district's** liability.*

**F. SUBROGATION**

*In the event of any payment under the Agreement, the **Fund** shall be subrogated to all rights of recovery therefore of the **member district** and any person entitled to the benefits of this Agreement against any person or organization and the **member district** shall execute the deliver instruments and papers and do whatever else is necessary to secure such rights. The **member district** shall do nothing after loss to prejudice such rights.*

**G. CONFORMANCE WITH STATUTE**

*In the event any portion of these Bylaws conflict with any statute or administrative regulation covering **joint insurance funds**, the provision of any such statute or regulation shall control to the extent it conflicts.*