



*Division of
Administrative Affairs*

ENVIRONMENTAL HEALTH AND SAFETY

Policy #P&P-09

Risk Management and Insurance

Version #1

Effective: 02/08/2024

Revised: New

1. PURPOSE

The purpose of this policy is to promote the university's risk management and insurance program as our strategy towards the identification, reduction and transfer of risks that can negatively impact university community and assets.

2. POLICY STATEMENT:

FAU maintains is committed to identifying, assessing, mitigating, and transferring risks to ensure the continuity of our operations and the well-being of our stakeholders. These combined efforts contribute to the University's culture of safety through the identification of perils, implementation of systems to prevent occurrences and the securing of insurance coverage for risk transfer and comprehensive protection.

3. CONCEPTS AND DEFINITIONS:

- 3.1. Accident - An undesired event that results in personal injury or property damage.
- 3.2. Incident - An unplanned, undesired event that adversely affects completion of a task.
- 3.3. Near Miss - Incidents where no property was damaged and no personal injury sustained, but where, given a slight shift in time or position, damage and/or injury easily could have occurred.
- 3.4. Casualty Insurance - Casualty insurance is a broad category of insurance including general liability, fleet automobile, workers' compensation and employment liability which together protects the university against loss of property, damage, or other liabilities.
- 3.5. Peril - A specific cause of damage or injury.
- 3.6. Certificate of Insurance - A certificate of insurance (COI) is issued by an insurance company or broker. The COI verifies the existence of an insurance policy and

Policy #P&P09 – Risk Management and Insurance

summarizes the key aspects and conditions of the policy. A standard COI lists the policyholder's name, policy effective date, the type of coverage, policy limits, and other important details of the policy.

- 3.7. Policy Limits - The maximum amount an insurance company will pay per event.
 - 3.8. Certificate Holder - This is the entity that is provided with a certificate of insurance as evidence of the insurance maintained by another entity. In standard certificate forms, the certificate holder is usually listed in the space provided for that purpose.
 - 3.9. Additional Insured - A type of insurance status, usually associated with general liability insurance policies, that provides coverage to other individuals or groups that were not initially named in the policy. With an additional insured endorsement, the additional insured entity will then be protected under the named insured's policy and can file a claim against the policy if they are sued.
4. RESPONSIBILITIES:
- 4.1. Environmental Health and Safety
 - 4.1.1. Reviews and approves contracts, licenses and agreements as required by policy or upon request.
 - 4.1.2. Identifies potential impacts of university actions on liability exposures.
 - 4.1.3. Applies loss-prevention and loss reduction techniques to eliminate or minimize losses to the University.
 - 4.1.4. Coordinates with the Office of General Counsel regarding claims against the university and other matters.
 - 4.1.5. Serves as the university's liaison with the State Division of Risk Management.
 - 4.2. Employees, Students, Contractors and Visitors
 - 4.2.1. Shall protect university buildings and assets through appropriate use and the reporting of any property damage and/or concerns by telephone to the risk manager or through the EH&S website.
 - 4.2.2. Report any grounds and/or campus safety concerns to a supervisor or sponsoring department. Hazards can also be reported through the EH&S website.
 - 4.3. Colleges, Departments, Units, and Contractors

Policy #P&P09 – Risk Management and Insurance

- 4.3.1. Shall educate their staff on the timely reporting of safety concerns to their department as well as to risk management/EH&S.
- 4.3.2. Evaluate their department's equipment and technologies to determine if optional insurance coverage options would be beneficial.

5. REPORTING

The incidents that must be reported to Risk Management are outlined below. Once an incident report is received, it's recorded and analyzed to determine the appropriate follow-up action. Risk Management utilizes the following strategies based upon the type of incident received:

5.1. Incidents Involving Personal Injury

Incidents involving personal injury are reviewed to determine if any university-related contributing factors were present. If a hazardous condition is identified or suspected, a physical inspection of the area would commence and corrective action initiated, if necessary, to correct any areas of concern.

5.2. Incident Involving Injured Workers

Incidents involving injured workers are reviewed to track efficacy of the workers compensation process, investigations, and corrective actions.

5.3. Incidents Involving Property Damage

Incidents involving damage to university property/assets are analyzed to determine the responsibility party who caused damage and if those damages are eligible for reimbursement consideration from a 3rd party payer such as insurance or the individual causing the damage.

5.4. Incidents Involving Automobiles Used for FAU Business

Incidents involving automobiles used for FAU business are reviewed to both understand the nature and cause of the incident as well as to ensure timely compliance with the accident reporting protocol under the State's Fleet Automobile policy. The accident is also reviewed to identify any deviations from FAU policy 4.1.4 Use of University Automobiles.

Policy #P&P09 – Risk Management and Insurance

5.5. Incident reports are utilized to create trending analysis to evaluate our performance over time in an effort to identify quality improvement opportunities, reduce the university's exposure, and foster a safer environment for all university stakeholders.

5.6. Other Incidents Monitored by Risk Management

Incident reports generated by the employee's supervisor and EH&S are reviewed to monitor Incident involving injured workers are reported to the workers supervisor, the State's workers' compensation 3rd party administrator, and Human Resources.

6. UNIVERSITY CASUALTY INSURANCE

Casualty insurance coverage is mandated and provided to all Florida agencies by the State. This casualty coverage is comprised of the following seven (7) insurance policies which are administered by the State Risk Management Trust Fund:

- 6.1. Federal Civil Rights: To pay on behalf of the insured all sums which the insured shall become legally obligated to pay, subject to the stated exclusions, arising from federal civil rights actions filed under 42 USC 1983, and other similar federal statutes. The coverage includes payment of claims and awards for plaintiff attorney fees where so provided by the above federal statutes.
- 6.2. Employment Discrimination: To pay on behalf of the insured all sums which the insured shall become legally obligated to pay, subject to the stated exclusions, arising from employment discrimination actions filed under 42 USC 2000e, Title VII of the 1964 Civil Rights Act, the Rehabilitation Act of 1973 (handicap discrimination), the Age Discrimination in Employment Act of 1967, the Vietnam Era Veteran's Readjustment Act of 1974, and other similar employment discrimination acts and statutes.
- 6.3. Fleet Automobile Liability: To pay on behalf of the insured all sums which the insured shall become legally obligated to pay (but not to exceed the statutory limits as set forth by Section 768.28, Florida Statutes) for damages because of bodily injury, sickness or disease, including death at any time resulting therefrom (hereafter called bodily injury), sustained or alleged to have been sustained by any person or persons or injury to or destruction of property including loss of use thereof (hereafter called property damage), arising out of the ownership, maintenance, or use including loading or unloading of any owned, hired or non-owned automobile, caused by the negligent or wrongful act or omission of any officer, employee, agent or volunteer of the named insured, as such terms may be further defined herein or by administrative rule, while acting within the scope of his office or employment, pursuant to the provisions and limitations of Chapter 284, Part II and Section 768.28, Florida Statutes.

Policy #P&P09 – Risk Management and Insurance

- 6.4. General Liability: To pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages for injury or loss of property, personal injury, or death caused by the negligent or wrongful act or omission of any officer, employee, agent or volunteer of the named insured, as such terms may be further defined herein or by administrative rule, while acting within the scope of his office or employment, pursuant to the provisions and limitations of Chapter 284, Part II and Section 768.28, Florida Statutes.
- 6.5. Court-Awarded Attorney Fees: To pay on behalf of the named insured, court awarded attorney fees and costs as set forth in Chapter 284, Part II, Florida Statutes, in other proceedings against the State, in which the State is not a prevailing party.
- 6.6. Workers' Compensation: To pay promptly when due all compensation and other benefits required of the insured by the Workers' Compensation Laws.
- 6.7. Employer's Liability: To pay on behalf of the insured all sums which the insured shall become liable to pay as damages because of bodily injury by accident or disease, including death, at any time resulting therefrom, which are sustained by an employee of the insured and which arise out of and in the course of his employment with the insured in the United States of America, its territories or possessions, or while temporarily employed outside the United States of America, its territories or possessions.

The policy limits for our General Liability and Fleet Automobile coverages are \$200,000/each occurrence and \$300,000/general aggregate for the policy year. These policy limits may create operational challenges when working with outside entities as commercial policy limits are generally higher, usually \$1,000,000/each occurrence and \$2,000,000/general aggregate. Please carefully examine the insurance section of all contracts and agreements to determine if our insurance policy limits will be acceptable. The State also prohibits the university from adding additional insureds to the policies named above which is also a frequent requirement when working with outside entities.

If you have a challenge meeting the insurance requirements for a contract or external university partner, please contact Risk Management for additional support.

7. UNIVERSITY PROPERTY INSURANCE

The State will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss. Covered causes of loss include the following:

- 7.1. Fire
- 7.2. Lightning
- 7.3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass. This cause

Policy #P&P09 – Risk Management and Insurance

- of loss does not include loss or damage by:
- a. Rupture, bursting or operation of pressure relief devices; or
 - b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water; or
 - c. Any loss which would normally be covered only under a standard boiler and machinery policy.
- 7.4. Windstorm or Hail, but not including:
- a. Frost or cold weather;
 - b. Ice (other than hail), snow or sleet, whether driven by wind or not; or
 - c. Loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sand or dust enters.
- 7.5. Smoke causing sudden and accidental loss or damage. This cause of loss does not include smoke from agricultural smudging or industrial operations.
- 7.6. Aircraft or Vehicles, meaning only physical contact of an aircraft, a spacecraft, a self-propelled missile, a vehicle or an object thrown up by a vehicle with the described property or with the building or structure containing the described property. This cause of loss includes loss or damage by objects falling from aircraft. We will not pay for loss or damage caused by or resulting from owned or non-owned vehicles which are operated by you.
- 7.7. Riot or Civil Commotion, including:
- a. Acts of striking employees while occupying the described premises; and
 - b. Looting occurring at the time and place of a riot or civil commotion.
- 7.8. Sinkhole Collapse, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
- a. The cost of filling sinkholes; or
 - b. Sinking or collapse of land into manmade underground cavities.
- 7.9. Flood As per Section 284.01, Florida Statutes, this section incorporates the same provisions as the NATIONAL FLOOD INSURANCE PROGRAM. That program defines "Flood" as:
- a. A general and temporary condition of partial or complete inundation of normally dry land areas from:
 - (1) The overflow of inland or tidal waters.
 - (2) The unusual and rapid accumulation or runoff of surface waters from any

Policy #P&P09 – Risk Management and Insurance

source.

(3) Mudslides (i.e., mudflows), which are proximately caused by flooding as defined in subparagraph a(2) above and are akin to a river of liquid and flowing mud on the surfaces of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

- b. The collapse or subsidence of land along the shore of a lake or other body of water as a result of erosion or undermining caused by waves or currents of water exceeding the anticipated cyclical levels which result in flooding as defined subparagraph a(1) above.

8. PROPERTY INSURANCE EXCLUSIONS

The State of Florida will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

8.1. Ordinance or Law The enforcement of any ordinance or law:

- a. Regulating the construction, use or repair of any property; or
- b. Requiring the tearing down of any property including the cost of removing its debris.

8.2. Earth Movement

- a. Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.
- b. Volcanic eruption, explosion or effusion. But if loss or damage by fire, breakage of glass or volcanic action results, we will pay for that resulting loss or damage.

8.3. Governmental Action Seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the property would normally be covered under this certificate.

8.4. Nuclear Hazard Nuclear reactors or the use, storage, or processing of nuclear fissionable materials. This exclusion as to nuclear properties or related reactors shall not be construed to eliminate the necessity of coverage on medical facilities, particle accelerators, cyclotrons, Van de Graff machines, or any properties associated therewith. If loss or damage by fire results, we will pay for that resulting loss or damage.

8.5. Off-Premises Services The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described

Policy #P&P09 – Risk Management and Insurance

premises.

8.6. War and Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

8.7. Water

- a. Water that backs up from a sewer, drain, or sump
- b. Water under the ground surface pressing on, or flowing or seeping through:
 - (1) Foundations, walls, floors or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows or other openings. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.
- (c) Water damage meaning accidental discharge or leaking of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

8.8. Electrical

- a. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances, or wires. But if loss or damage by fire results, we will pay for that resulting loss or damage.
- b. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you or operated under your control. But if loss or damage by fire or combustion explosion results, we will pay for that resulting loss or damage.
- c. Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

9. UNIVERSITY PROPERTY NOT COVERED BY PROPERTY INSURANCE

The following property items are not covered under any circumstance by the State property policy:

9.1. Animals

9.2. Accounts, bills, currency, deeds, food stamps, or other evidence of debts, money, notes, or securities; lottery tickets held for sale are not securities

9.3. Bridges, roadways, walks, patios, and other paved surfaces

Version #1.0

(FAU – EH&S - P&P – PP09, Risk Management and Insurance Policy)

Policy #P&P09 – Risk Management and Insurance

- 9.4. Cost of excavations, grading, backfilling, or filling
- 9.5. Underground pipes, flues, drains, or electrical and communication wiring
- 9.6. Land, water, growing crops, grain, hay, straw, and other crops
- 9.7. Foundations of buildings, structures, machinery, or boilers if their foundations are below:
(1) the lowest basement floor; or (2) the surface of the ground, if there is no basement
- 9.8. Business personal property while airborne or waterborne
- 9.9. Personal property not owned by the State of Florida. This includes the personal property of the State employees
- 9.10. Pilings, piers, wharves, or docks, even if they are attached to a scheduled building, they are not covered
- 9.11. Retaining walls, that are not part of a building
- 9.12. The cost to research, replace or restore the information on valuable papers and records, including those which exist on electronic or magnetic media
- 9.13. Vehicles or self-propelled machines including aircraft and watercraft that: (1) are licensed for use on public roads or (2) are operated principally away from the described premises
- 9.14. Fences, including attached devices. DRM considers all walls and gates to be fences
- 9.15. Unattached radio or television antennas, including their lead in wire, masts, or towers. (Unless insured separately as a stand-alone structure)
- 9.16. Stand-alone light poles and fixtures
- 9.17. Trees, shrubs, or plants over the limit. (\$1,000 max benefit; but not more than \$250 for any one tree, shrub or plant);
- 9.18. Signs not attached to an insured building
- 9.19. Fine arts, manuscripts, nitrocellulose films, museum collections, artifacts, relics and bullion
- 9.20. Buildings that have been abandoned, selected for removal from the premise or selected demolition
- 9.21. Surplus property - Business personal property declared surplus property but stored on the premises are deemed to have no value for the purpose of making a claim with DRM.

10. STATE-WIDE OPTIONAL INSURANCE POLICIES

Policy #P&P09 – Risk Management and Insurance

The State also makes available optional, supplemental policies to address coverage issues encountered by many State agencies. The list of coverages below are available to FAU at rates usually well-below the commercial market.

- 10.1. Comprehensive Automobile – coverage provides comprehensive and collision coverage on vehicles in the care, custody, and control of an eligible state entity.
- 10.2. Boiler & Machinery - coverage for building equipment and systems.
- 10.3. Contractor's Equipment – coverage for leased mobile machinery, mobile equipment, construction vehicles, and heavy machinery if property insurance is required by a rental company before the equipment can be rented.
- 10.4. Crime – coverage against loss of or damage to money, securities, or other property resulting from employee theft, robbery, or safe burglary inside the premises, theft or robbery outside the premises, computer fraud, funds transfer fraud, or money orders or counterfeit money.
- 10.5. Electronic Data Processing - coverage for scientific equipment, meaning used for scientific and medical research or equipment used for medical diagnosis. Also provides coverage for electronic data processing equipment, meaning data processing systems; electronic systems consisting of separately identifiable and removable component memory or control boxes.
- 10.6. Fine Arts - coverage against loss of or damage to fine art during the period insurance while on exhibition, in transit, and/or in incidental storage worldwide.
- 10.7. Accidental Death and Dismemberment - coverage provides statutory death for all state law enforcement officers.
- 10.8. Ocean Marine – coverage to pay physical damage losses caused to the vessel. Such loss or damage may be caused by fire, lightning, windstorm, hail, tornado, collision, sinking, and other perils identified by the policy.
- 10.9. Miscellaneous Property – coverage for unique items such as theatrical, musical instruments, fuel provers, radiation detection equipment, radio and television transmitting and receiving equipment among other items. The Broker / Underwriter must approve all items for coverage before being added to the policy.
- 10.10. Accident and Sickness (Camp and School)– coverage provides accident and sickness benefits for all participants and volunteer members enrolled as a camper, participant, or student in a state sponsored and supervised camp or school for which a plan has been selected and a premium has been paid; sports and non-sports coverage is available.
- 10.11. If you have questions about any of the above coverages and/or have an item that you'd like to insure, please contact Risk Management to discuss your situation.

11. COST RECOVERY

Policy #P&P09 – Risk Management and Insurance

Risk Management coordinates State and Federal cost recovery efforts as part of the University's Cost Recovery Team. Based on the type of peril, Risk Management will examine our insurance policies and external funding sources to identify if a reimbursement funding source is available.

12. RELATED INFORMATION:

- University Policy 4.1.2 Environmental Health and Safety

Approved and issued by order of:


Wendy Ash Graves
ENVIRONMENTAL HEALTH AND SAFETY

DATE: 2/28/24

POLICY MAINTENANCE SECTION

Last Revision Date	New document
Last Revision By	W. Ash Graves
Next Review Due	02/28/2027
Review Frequency	3 years
Version	1.0
Time-sensitive Items	

THIS POLICY RESCINDS ALL OTHER WRITTEN DIRECTIVES REGARDING THIS TOPIC.

13. RECORD OF CHANGES/STATUS CONTROL:

Version	Date	Summary of Changes	Reviewed By
1.0	02/08/2024	New document	• W. Ash Graves