



SCHOOL INSURANCE NEWSLETTER

September 2020

Market Conditions – Property Insurance Deductibles

Few companies and risk pools offered flat deductibles at renewal. Below shows the financial impact of a % deductible. The contributions or premiums (all coverages) increased 15%-20% for most districts. These deductibles apply to the replacement cost of the building, regardless of the amount of the damage.

<u>Building</u>	<u>Replacement</u>	<u>1% Deductible</u>	<u>3% Deductible</u>	<u>5% Deductible</u>
High School	50,000,000	500,000	1,500,000	2,500,000

District Police Departments

Police officers often have previous experience as employees of cities or counties, where liability coverage is provided by a separate Law Enforcement Liability insurance policy. However, most school districts rely on their General Liability coverage, which usually provides coverage for “employees while acting within the course and scope of their duties.”

A city or county officer may have protection for “moonlighting”, but a school district officer may not. City and county officers are typically protected by the agency’s liability for “Interagency Collaboration”.

What to do. In the district’s employment contract, it should be spelled out there only is liability coverage provided for the employee by the district when the “employee is acting within the course and scope of their duties”. Perhaps wording could be added such as “Duties shall include Interagency Collaboration or Memorandum of Understanding (MOU) and other policing activities, including moonlighting, as directed by the chief of police”. Consider purchasing Law Enforcement Liability for more specifically designed coverage, just as cities and counties do.

Education Code 37.081 (Suggest you read the entire statute.)

(c) “A school district peace officer may provide assistance to another law enforcement agency. A school district may contract with a political subdivision for the jurisdiction of a school district peace officer to include all territory in the jurisdiction of the political subdivision.”

(g) “A school district police department and the law enforcement agencies with which it has overlapping jurisdiction shall enter into a memorandum of understanding that outlines reasonable communication and coordination efforts between the department and the agencies.”

Typical Board Book Wording:

“The board shall determine the scope of the on-duty and off-duty law enforcement activities of district peace officers. A district must authorize in writing any off-duty law enforcement activities performed by a district peace officer.” Or to the contrary, “An officer commissioned under this policy shall not provide law enforcement or security services for an outside employer without prior written approval from the Superintendent.”

Also, language about personal **Automobile** usage should be addressed, as the Auto policy only protects the driver if usage is within the scope of permission. The district will always be covered by the district’s insurance, but the driver may not.

Contracted Police

Districts often contract with city or county officers when extra protection or traffic control is needed. Those officers must understand the district’s coverage does not apply to them as contract employees, and they are not eligible for Worker’s Compensation if they are injured. We suggest that the contract be with the city or county, making the primary employer responsible for supplying and insuring officers.#