

AGENDA

MEETING:	Board of Directors Meeting Schools Program Alliance Teleconference Meeting	A Action I Information
DATE/TIME:	January 10, 2022 at 10:00 AM PDT	1 Attached 2 Hand Out 3 Separate Cover 4 Verbal
LOCATION VIA TELECONFERENCE:	Toll Free (888) 475 4499 or (669) 900-6833 US Toll Meeting number (access code): 967 9889 9639 https://alliantinsurance.zoom.us/j/96798899639?pwd=cklWahJpeTB0TnJaRDJsNklrVkEwQT09	

IMPORTANT NOTICES AND DISCLAIMERS:

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Michelle Minnick at Alliant Insurance at (916) 643-2715 twenty-four (24) hours in advance of the meeting. The Agenda packet will be posted at each member's site. Documents and material relating to an open session agenda item that are provided to the SPA members less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard Street, Suite 460, Sacramento, CA 95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, SPA does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

This Meeting Agenda shall be posted at the address of the teleconference locations shown below with access for the public via phone/speaker phone.

1. Butte Schools Self-Funded Programs, 500 Cohasset Road, Suite 24, Chico, CA 95926
2. North Bay Schools Insurance Authority, 380 Chadbourne Rd, Fairfield, CA 94534
3. Redwood Empire Schools' Insurance Group, 5760 Skylane Blvd., Suite 100, Windsor, CA 95492
4. Schools Insurance Authority, 9800 Old Placerville Rd, Sacramento, CA 95827
5. Schools Insurance Group, 550 High Street, Ste. 201, Auburn, CA 95603

<i>PAGE</i>	A. CALL TO ORDER, ROLL CALL, QUORUM	A 4
	B. APPROVAL OF AGENDA AS POSTED	A 4
	C. PUBLIC COMMENTS <i>The public is invited at this point to address the Board of Directors on issues of interest to them.</i>	I 4
	D. CONSENT CALENDAR <i>The Board of Directors may take action on the items below as a group except a Board Member may request an item be withdrawn from the Consent Calendar for discussion and action.</i>	A 1
<i>Pg. 4</i>	1. Minutes of SPA Board Teleconference Meeting December 13, 2021	
	E. GENERAL ADMINISTRATION	
<i>Pg. 7</i>	1. School Sponsored Housing Property Program Coverage <i>The Board will consider the coverage related to school sponsored housing projects.</i>	A 1

<i>Pg. 8</i>	<p>2. Establishment of LAIF Account <i>The Board will consider and may approve a Resolution to set up a LAIF account to invest funds not needed for short term operations.</i></p>	A 1
<i>Pg. 10</i>	<p>3. Active Shooter Coverage/Alliant Deadly Weapons Response Program <i>The Board will receive an update of the Deadly Weapons Response coverage and may consider the coverage for FY 22/23.</i></p>	A 1
<i>Pg. 29</i>	<p>4. Administration Equity Reclassification <i>The Board will consider reclassifying the prior fiscal year equity balances.</i></p>	A 1
<i>Pg. 30</i>	<p>5. 2022 Property (and APD) Renewal – Data Request Update <i>The Board will receive information on the renewal of the Property Program and will receive information on loss ratios.</i></p>	I 1
<i>Pg. 32</i>	<p>6. Learning Management System <i>The Board will receive an update from the working group.</i></p>	I 1
<i>Pg. 34</i>	<p>7. Self-Insurance of Cyber Exposure – Portal Update <i>The Board will receive an update regarding the online portal used to complete applications.</i></p>	I 1
<i>Pg. 36</i>	<p>8. SPA & BASIC Administration <i>The Board will consider options for administration of the Property and Liability Programs.</i></p>	I 1
<i>Pg. 38</i>	<p>9. Property Valuation Strategy <i>Members will receive additional trend factors and will provide direction on the strategy for application of trend factors.</i></p>	I 1
	<p>F. INFORMATION ITEMS AND DISCUSSION <i>This is an opportunity for a Board Member to discuss a topic of interest or seek guidance and input from the group about a current issue, risk management topic or exposure the Member is experiencing.</i></p>	I 4
	<p>G. ADJOURNMENT</p>	A 4

Item No: D.

CONSENT CALENDAR**ACTION ITEM**

ISSUE: Items on the Consent Calendar are to be reviewed. If any item requires clarification, discussion, or amendment by any member of the Board, such item(s) may be pulled from Consent Calendar and placed on the agenda for separate discussion.

Items pulled from the Consent Calendar will be placed on the agenda in an order determined by the President.

RECOMMENDATION: Adoption of items presented on the Consent Calendar after review by the Board.

FISCAL IMPACT: As indicated on any item included.

BACKGROUND: Items of importance that may not require discussion are included on the Consent Calendar for adoption.

ATTACHMENTS:

1. Minutes of SPA Long Range Planning Meeting December 13, 2021

SCHOOLS PROGRAM ALLIANCE

December 13, 2021 Teleconference Board Meeting Minutes

Members Present:

Butte Schools Self-Funded Programs (BSSP)	Christy Patterson
North Bay Schools Insurance Authority (NBSIA)	Janet Selby
North Bay Schools Insurance Authority (NBSIA)	Brandon Schlenker
Redwood Empire Schools Insurance Group (RESIG)	Sandy Manzoni
Schools Insurance Authority (SIA)	Martin Brady
Schools Insurance Authority (SIA)	Debrah Sherrington
Schools Insurance Authority (SIA)	Brooks Rice
Schools Insurance Authority (SIA)	Phil Brown
Schools Insurance Group (SIG)	Cindy Wilkerson
Schools Insurance Group (SIG)	Nancy Mosier

Consultants & Guests

Dan Howell, Alliant Insurance Services	Shadi Jalali, Alliant Insurance Services
Dan Madej, Alliant Insurance Services	James Wilkey, New Front Insurance
Marcus Beverly, Alliant Insurance Services	Eileen Massa, New Front Insurance
Dennis Mulqueeney, Alliant Insurance Services	Rob Kramer, Sedgwick
Michelle Minnick, Alliant Insurance Services	Ryan Telford, AmWins
Matt Gowan, Alliant Insurance Services	Chris Tambo, AmWins

A. CALL TO ORDER, ROLL CALL, QUORUM

Mr. Martin Brady called the meeting to order at 10:06 a.m. The above-mentioned members were present constituting a quorum.

B. APPROVAL OF THE AGENDA AS POSTED

A motion was made to approve the Agenda as posted and confirm the quorum.

MOTION: Janet Selby

SECOND: Cindy Wilkerson

**MOTION CARRIED
UNANIMOUSLY**

C. PUBLIC COMMENT

There were no public comments.

D. CONSENT CALENDAR

1. Minutes of SPA Board of Directors Meeting November 8, 2021

A motion was made to approve the Consent Calendar.

MOTION: Cindy Wilkerson

SECOND: Janet Selby

**MOTION CARRIED
UNANIMOUSLY**

E. GENERAL ADMINISTRATION

E.1. SCHOOL SPONSORED HOUSING UPDATE

Matt Gowan provided the Board with an update regarding the risk concerns, insurance solutions and process that SIA has been involved with as RESIG has a member that is exploring teacher housing. He reviewed the risk concerns related to potentially starting a small housing community for teachers and provided examples of how housing has been designed to limit access to the teacher living quarters (unless you physically leave the property). Lastly, he provided some potential insurance solutions if SPA chooses to exclude this risk and noted that the open market has been reluctant to place coverage but there are carriers that are willing to write the coverage. Additionally, Management Companies could be considered to manage the housing and could provide coverage under their policies. He also mentioned other pools such as HARP (in the process of changing its name to Synchronous) which could provide coverage but noted that they have a January 1 renewal date. PRISM is another option for coverage as well as SELF (but SELF will not provide D&O coverage).

E.2. SELF-INSURANCE OF CYBER EXPOSURE

Dennis Mulqueeny and Shadi Jalali provided the Board with an update regarding the consideration of a starting a self-insured cyber layer. Dennis noted that in order to explore the option further we will need to collect information from the members and highlighted that Alliant has created an online application that members could use to collect application information, which will then be used to help secure quotes for individual members or the JPA as a whole. He also provided some notes about what the Cyber market is using as the minimum-security standards to ensure the schools are aware of these minimum requirements and can strategize ways to implement new security standards that are in line with the carriers' requirements. January will be spent seeking application information from each of the underlying members of the SPA JPA via the Alliant online portal in order to help determine the exposure and pricing. After a discussion, it was generally agreed that SPA should proceed with obtaining applications for the underlying members via the online portal to help all parties with marketing.

E.3. POTENTIAL CHANGE TO MARCH 14, 2022

Members were advised that the March 14th meeting start time will begin at 8am as opposed to 10am.

E.4. PROPERTY VALUATION STRATEGY

Dan Howell noted that we will bring back this item back at a future meeting as we are still in negotiations with the underwriters but noted the target is between 5-7.5% in trending factors for those members that have not been appraised.

E.5. 2022 PROPERTY (AND APD) RENEWAL DISCUSSION

Ryan Telford from AmWins provided the Board with a review of the property state of the market,. Ryan noted that the market is still hard and rates are increasing due to recent weather-driven CAT losses. Dan Madej provided the Board with a review of the current coverage and noted we have had two meaningful wildfires and provided preliminary loss ratio ranges. It was also noted that Underwriters are focusing on accurate valuation of properties. Dan Madej provided a review of the renewal objectives, the anticipated renewal timeline and noted that we are not expecting any

material changes in the coverages. For the APD coverage Dan Madej noted we are expecting rate increases in the 5-10% range with no material changes to the terms of coverage.

E.6. LONG RANGE PLANNING UPDATE

Marcus Beverly provided the Board with a review of the Long Range Planning goals and provided an update on the outstanding items. James Wilkey noted that New Front is working on the SPA Liability MOC comparison, which will be presented to the Board next year.

E.7. WILDFIRE ASSESSMENT FOLLOW UP

Marcus Beverly provided the group with a review of the wildfire assessments including the summary recommendations and members discussed what the underlying members are doing with the recommendations as the reports were well received and members were engaged with presentations about the wildfire topic.

F. FINANCIAL

F.1. FINANCIAL STATEMENT AS OF SEPTEMBER 30, 2021

Marcus Beverly introduced Phil Brown from SIA and then provided a review of the September 30, 2021 Financials which includes the deposits on an accrued basis. It was noted that SIA provided funding at a higher limit.

A motion was made to accept and file the report as presented.

MOTION: Christy Patterson

SECOND: Cindy Wilkerson

**MOTION CARRIED
UNANIMOUSLY**

G. INFORMATION ITEMS AND DISCUSSION

There were no information items.

H. ADJOURNMENT

A motion to adjourn was made at 12:06 P.M.

MOTION: Cindy Wilkerson

SECOND: Sandy Manzoni

**MOTION CARRIED
UNANIMOUSLY**

The meeting was adjourned at 12:06 P.M.

NEXT MEETING DATE: Monday January 10, 2022 10:00 A.M.

Respectfully Submitted,

Martin Brady, Secretary

Date

Item No: E.1.

SCHOOL SPONSORED HOUSING PROPERTY PROGRAM COVERAGE**ACTION ITEM**

ISSUE: The SPA Property Memorandum of Coverage (MOC) is silent regarding coverage for potential teacher housing projects. While members continue to evaluate options for this coverage the question raised is whether the MOC should be amended to exclude or limit coverage.

The general feedback so far is the Course of Construction risk is not desirable while the finished structure may be acceptable depending on the design and construction. The habitation risk itself has been minimal with at least one Bay Area project over a ten year period and most losses are not likely not to reach the SPA layer.

RECOMMENDATION: Review exposure and take action or provide direction. Options:

- Revise Property MOC to exclude or limit coverage
- Revise underwriting guidelines to restrict or limit exposure
- Maintain current Property MOC and continue to review other options for coverage

FISCAL IMPACT: Unknown

BACKGROUND: California Housing costs have outpaced teacher salaries. In order to recruit and retain teachers, School Districts and Offices of Education are increasingly building or researching entity-owned housing. RESIG member, Sonoma County Office of Education, has a teacher housing project under consideration. Evaluation of coverage for school sponsored housing is LRP-11 on the list of SPA's Long-Range Action Plan.

Coverage under the JPA's current insurance structure may not be available. The JPA's self-insured layer may also not want to take on a new risk where not all members have the exposure. RESIG has worked with Matt Gowan to explore alternative ways to cover the teacher housing risk and will likely have other options to consider. This issue is not going away so at some point SPA members will need to take a definitive stand on covering the exposure.

ATTACHMENTS: None

Item No: E.2.

ESTABLISHMENT OF LAIF ACCOUNT**ACTION ITEM**

ISSUE: Members are asked to approve the establishment of a LAIF account for SPA.

RECOMMENDATION: Approve attached Resolution

FISCAL IMPACT: None expected from this item.

BACKGROUND: SPA's financial accountant has requested establishment of a separate LAIF account for SPA funds.

ATTACHMENTS: Resolution 22-01- Establishing SPA LAIF Account

RESOLUTION 21-02

AGENCY ADDRESS

PHONE NUMBER

RESOLUTION OF THE SPA BOARD OF DIRECTORS

**AUTHORIZING INVESTMENT OF MONIES
IN THE LOCAL AGENCY INVESTMENT FUND**

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Schools Program Alliance (SPA) Board of Directors hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of SPA.

NOW THEREFORE, BE IT RESOLVED, that the Schools Program Alliance (SPA) Board of Directors hereby authorizes the deposit and withdrawal of SPA monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows:

Section 1. The following SPA officers holding the title(s) specified hereinbelow **or their successors in office** are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

Martin Brady
(NAME)

Managing Member
(TITLE)

(SIGNATURE)

Phil Brown
(NAME)

CFO
(TITLE)

(SIGNATURE)

Cindy Wilkerson
(NAME)

Secretary
(TITLE)

(SIGNATURE)

Section 2. This resolution shall remain in full force and effect until rescinded by Schools Program Alliance (SPA) Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

PASSED AND ADOPTED, by the Schools Program Alliance (SPA) Board of Directors, County of Sacramento, State of California on _____ (Date) .

Note: Resolution must be adopted by the governing body. Please submit an original resolution or a certified copy of the resolution to LAIF. A certified copy is 1) a copy of the resolution affixed with the seal of the agency or 2) a copy of the resolution attested by the City Clerk/Board Secretary with his/her signature.

Item No: E.3.

ACTIVE SHOOTER COVERAGE/ALLIANT DEADLY WEAPONS RESPONSE PROGRAM

ACTION ITEM

ISSUE: At the LRP Session, the Board reviewed the “active shooter” shooter coverage enhancement that is included in the SPA Property Program. The Board asked to have staff provide a comparison of this coverage to the Alliant Deadly Weapons Response Program (ADWRP). While the two coverage share some features, they are two distinct products that are *not directly comparable*. Be this as it may, a comparison of key features was provided at the LRP session and is provided in the Attachment section of this agenda item for ease of reference.

RECOMMENDATION: Given that it appears that there may only be passing interest in this topic *at the SPA level*, staff recommends that the Board close this item as a SPA topic and instead direct SPA members to pursue this topic if they so wish on their own. *If however*, the SPA Board did want to resolve this question at the SPA organizational level, an option to simply closing the issue is discussed in the “Fiscal Impact” section of this item.

FISCAL IMPACT: There are two options to consider:

Option 1. – *Close the issue at the SPA Organization level.*

No fiscal impact.

Option 2. – Replace Active Shooter Cover in the Property Program with ADWRP Cover.

The exact annual premium for the SPA Active Shooter cover included in the Property Program for the period 7/1/21-22 is estimated to be \$50,000 and is included in the total premium charged both by reinsurers to SPA, and in turn, by SPA to its members. The cost per member is not broken out separately in invoices, so the allocation of the cost of this cover follows the allocation of the property premium overall. The premium for the standard ADWRP program for the same period would be roughly \$108,000, however as discussed in the background section, this coverage is significantly broader in scope. Conceivably, if all SPA members wanted the broader ADWRP cover in lieu of the cover provided in the Property program, SPA could delete the cover in its property program and use the savings to offset the cost of the ADWRP. Premium could be allocated by TIV as the property premium, or by some other exposure base, perhaps student count, or the like. The following table shows the workout of the math. Although the overall cost would be more, the cover includes general liability, defense cost and more robust crisis management services.

Terrorism/Active Shooter Cover Item - 7/1/21-22	
Active Shooter Cover	50,000
Traditional Property Terrorism Cover	<u>48,000</u>
Total	98,000

Terrorism/Active Shooter Cover Item - 7/1/22-23	
	Est. Cost
Alliant Deadly Weapons Est. Cost	108,000
Traditional Property Terrorism Cover	48,000
Terrorism Cover Est. Cost:	<u>156,000</u>

BACKGROUND: The prevalence of gun violence in the U.S. continues to be a national tragedy with risk managers across the country continuing to understand and address this risk as may be appropriate for their organizations. Over the past several years, brokers and insurers have developed products to address this risk in the insurance market. Insurers generally have viewed the exposure through a “*property insurance lens*”, or a “*general liability lens*”, with the logic of the coverage offered then following each of these insurance formats. There is no “proper” lens to use, and buyers of coverage usually will logically default to the format that corresponds to their key risk management concerns, be it coverage for owned property and business interruption (property lens) or injury to third parties (general liability lens). In both cases, insurers will also provide reimbursement for “crisis management” services, a so-called “extra expense” that is normally associated with loss. The amount, range and flexibility of crisis management cover varies widely amongst products. There is no standard coverage form for this exposure as it is a new and quickly evolving risk.

For SPA, the existing Active Shooter cover is contained within the Terrorism section of the Property reinsurance agreement, so, per above, the coverage is provided from a property insurance perspective lens, and coverage, and therefore the cover is focused on risks traditionally associated with damage to Property and resultant impact from such events.

The Alliant Deadly Weapons Response Program was developed to provide a broad based cover that is *not* tied to any other insurance purchase. It includes *both* 1st party and 3rd party coverage elements as well as Crisis Management covers and an array of pre-loss services. It is available for single entities, or pools, and the base coverage and limits can be tailored to specific customer needs.

As respects *cost*, currently the premium for the SPA Active Shooter cover is roughly \$60,000 and is included in the total premium charged both by reinsurers to SPA, and in turn, by SPA to its members.

The attachments to this item summarize the offerings and concepts that are most usually asked about by risk managers who are interested in this topic.



Schools Program Alliance

c/o Alliant Insurance Services

Corporation Insurance License No. 0C36861

2180 Harvard Street, Suite 460, Sacramento, CA 95815

Board of Directors Meeting

January 10, 2022

ATTACHMENTS:

1. Active Shooter Cover Comparison – ADWRP to SPA Terrorism Reinsurance
2. Alliant Deadly Weapons Response Program - Proposal for SPA
3. Alliant Deadly Weapons Response Coverage Overview - Pools
4. Alliant Deadly Weapons in the Workplace – Description of Insurance Need

Active Shooter Cover Comparison - ADWRP to SPA Terrorism Reinsurance		
Name of Program	Alliant Deadly Weapon Response Program	SPA - Active Shooter
Carrier	Beazley	SPA Terror Panel at Lloyds (Axa)
Claim Trigger	Claims Made and Reported 90 day extended period	Occurrence
Type of Coverage	Crisis Management, Liability, Property, Bus. Interruption, & Extra Expense	Property, Bus. Interruption, Extra Expense
Deductible	10,000	10,000 (12 hrs ingress/egress)
Limits		
Per incident	500,000	1,000,000
Aggregate	2,500,000	1,000,000
3rd Party Legal Liability	Incl. in Per Incident Limit	-
Crisis Management, Sublimit	250,000	-
Public Relations Consultancy	Incl.	100,000
Counseling Services, Sublimit	250,000/15,000 per Person	10,000 per person
Funeral Expenses, Sublimit	250,000/15,000 per Person	250,000, NTE 25,000 per person
1st Party Property Damage, Sublimit	250,000	Incl. In Limit
Business Interruption, Sublimit	250,000	Incl. In Limit
Relocation Expenses	Incl.	90 Days
Demo/Clearance/Memorialization	250,000	250,000
Extra Expense	250,000	
Threat	250,000	
Per Person Medical	25,000 (\$500,000 agg.)	10,000 per person
Per Pers AD&D	25,000 (\$500,000 agg.)	
Security Costs	Incl.	25,000
Employee Retraining	Incl.	10,000 per person
Replacement Employee Recruiting Costs	Incl.	90 Days
Loss of Grants	Incl.	250,000
Indemnity Period	N/A	180 Days
Coverage Services	Post Underwriting Review	N/A
	CrisisRisk Webinars	N/A
	Beazley Active Shooter Resources Portal	N/A

2021 – 2022

**Alliant Deadly Weapon
Response Program (ADWRP) Proposal**

Issued on June 4, 2021

ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL

INSURED	Schools Program Alliance
INSURANCE COMPANY:	Underwriters at Lloyd's of London
A.M. BEST RATING:	A (Excellent) XV; Greater than \$2,000,000,000
STANDARD AND POOR'S RATING:	A+, Strong Financial Security
STATE LICENSE STATUS:	Non-Admitted
POLICY TERM:	July 1, 2021 – July 1, 2022
COVERAGE FORM:	Claims Made & Reported
COVERAGE TYPE:	Third Party Bodily Injury Liability, First Party Property Damage, Business Interruption & Crisis Management for events occurring at a location appearing on your Schedule of Values on file with Alliant Insurance Services, Inc.
LIMITS:	
Per Occurrence	\$ 500,000
Aggregate (Shared by Members of Pool/JPA)	\$ 2,500,000
DEDUCTIBLE:	\$10,000 Each Event including Claims Expenses
RETROACTIVE DATE:	To be determined

ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

SUB-LIMITS:

(Each Sublimit is part of the Overall Limit of Liability and not in addition to it)

\$ 250,000	Crisis Management Services - specified in endorsement
\$ 250,000	Crisis Management Services – unspecified
\$ 250,000	Counseling Services (\$15,000 per person maximum)
\$ 250,000	Funeral Expenses (\$1M Aggregate; \$15,000 per person maximum)
\$ 250,000	Business Interruption
\$ 250,000	Demo/Clearance/Memorialization
\$ 250,000	Extra Expense
\$ 250,000	Threat
\$ 25,000	Per Person for Medical Expenses with a \$500,000 annual aggregate
\$ 50,000	Per Person Accidental Death and Dismemberment with a \$500,000 annual aggregate
Included	Circumstantial Costs for Prevention Services (\$0 Deductible)

ENDORSEMENTS:

(Including But Not Limited To)

- Deadly Weapon & Security Vulnerability Post Underwriting Review
- Deadly Weapon Safety Action Plan Webinar
- Crisis Management Services
- Circumstance Extension
- Property Damage Extension
- Counselling Services
- Funeral Expenses
- Short Rate Cancellation Table
- Premium Payment Clause
- Reinsurers Liability Clause
- Lloyd’s Privacy Policy
- Sanction Limitation & Exclusion Clause
- Notice of Terrorism Insurance Coverage
- Business Interruption (*if applicable*)
- Automatic Acquisitions limit – locations up to \$25,000,000
- 90 day grace period for reporting of new locations

ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

ENDORSEMENTS - CONTINUED:

(Including But Not Limited To)

EXCLUSIONS:

(Including But Not Limited To)

- Offsite events coverage for K-12 School insureds (Field Trips) only – No Liability coverage applies.
- E&O clause – to cover locations not exceeding \$10,000,000 in value unintentionally not included in SOV provided to insurer
- **Crisis Management/Event Responder Fees** *do not erode policy limits*
- **Crisis Services Provided by CrisisRisk:**
<https://www.crisisrisk.com/>
- Confiscation, nationalization, requisition or destruction of or damage to property by government, public or local authority
- Loss of market, loss of use or any other consequential loss at property physically lost or damaged
- Any explosive devices unless used in conjunction with a Deadly Weapon Event.
- Euthanasia
- Fraudulent Claims
- Any actual or alleged negligent act, error, omission, misstatement, misleading statement, neglect or breach of duty by the Directors or Officers, in the discharge of their duties solely in their capacity as Directors or Officers of the Named Insured
- Any vehicle not defined as a road vehicle
- Any weapon mounted (or designed to be mounted) on a vehicle
- Any weapon, device or substance delivered by an airborne weapon delivery system including, but not limited to, fixed wing aircraft, helicopter or drone
- Injury or death to any employees of any third party whom the Named insured has contracted for services.
- Any claim or claims made by or on behalf of an Assailant.

ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

EXCLUSIONS - CONTINUED:

(Including But Not Limited To)

- Use or operation as a means to inflict harm of any computer, computer system, computer software, malicious code, computer virus or any other electronic system.
- Workers Compensation
- Employment Practices
- Ionizing radiations or contamination by radioactivity from nuclear waste or fuel
- Radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor, assembly or component
- Mercy Killing(s)
- Cross Suits
- Strikes, labor unrest, riots or civil commotion
- Suicide
- War, insurrection, civil commotion
- Mental injury or mental anguish related claim where no Bodily Injury occurred to claimant (Except as included by endorsement for counselling services)
- Any weapon or device employing atomic or nuclear fission, fusion or other like reaction or force or matter
- Loss, injury or damage caused by or resulting from Named Insured's recklessness or deliberate misconduct
- Chemical, biological, bio-chemical or electromagnetic weapon
- Nuclear reaction, radiation or contamination, however caused
- Any Pollutant or Contaminant however introduced or arisen
- Property Damage in care, custody or control of Named Insured or person under contract (except as maybe provided by the 1st Party Property coverage)
- Punitive or exemplary damages, sanctions or additional damages

ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

EXCLUSIONS - CONTINUED:

(Including But Not Limited To)

ADDITIONAL EXCLUSIONS RELATING TO PROPERTY & BUSINESS INTERRUPTION:

(Including But Not Limited To)

- COVID19
- Any Deadly Weapon Event that occurs at a Location(s) which has been specifically leased or loaned by the Named Insured to any other entity or individual to host a permitted event planned and ticketed for more than 500 attendees over the duration of the event, except with the prior written agreement of the Underwriters. Agreement to add any event as covered may incur additional premium.
- Land or land values
- Aircraft, watercraft or any vehicle licensed for highway use
- Animals
- Money, currency, checks, coins, stamps, securities, valuable papers, evidences of debt, precious stones, precious metals (unless forming an integral part of Insured Property), jewelry, furs, fine arts and antiques
- Electronic data
- Any property in Transit
- Increase in loss caused by suspension, lapse, cancellation of any lease, license, contract or order, unless loss results directly from the insured Interruption of Business
- Fines, penalties or damages incurred by or imposed upon the Named Insured at order of any Government Agency, Court or other Authority

ALLIANT DEADLY WEAPON RESPONSE PROGRAM (ADWRP) PROPOSAL – CONTINUED

ANNUAL PREMIUM:	\$107,602.00 Premium \$ 3,228.06 Surplus Lines Taxes \$ <u>269.01</u> Surplus Lines Fees \$111,099.07 Total Cost
DEFENSE INSIDE/OUTSIDE THE LIMITS:	Inside
MINIMUM EARNED PREMIUM:	25% Minimum Earned Premium
PROPOSAL VALID UNTIL:	30 Days From Date Issued
SUBJECTIVITIES:	<ul style="list-style-type: none">• Completed and Signed Request to Bind Coverage Form (See last page)• Completed and Signed Surplus Lines Document(s) (If applicable)• Complete Schedule of Values on file to share with the carrier.• No known or reported losses or incidents likely to give rise to a claim over the last 12 months.

See Disclaimer Page for Important Notices and Acknowledgement

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

Other Disclosures / Disclaimers - Continued

NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Other Disclosures / Disclaimers - Continued

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Certificates / Evidence of Insurance

- A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.
- You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

Other Disclosures / Disclaimers - Continued

Commercial Property Coverage

*Property Co-insurance: Most property insurance policies contain a co-insurance clause. In exchange for a reduced rate, the insured agrees to carry at least the stated percentage of insurance to the total insurable value of the property. If, at the time of loss, the amount of insurance carried is less than this percentage, the loss payment will be reduced proportionately.

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information. Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

Request to Bind Coverage

Schools Program Alliance

We have reviewed the proposal and agree to the terms and conditions of the coverages presented.
We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Annual Premium	Bind	Decline
DEADLY WEAPON RESPONSE PROGRAM			
Limit \$500,000 Aggregate (Shared by Members of Pool/JPA) \$2,500,000	\$111,099.07	<input type="checkbox"/>	<input type="checkbox"/>
<i>Premium will be prorated based on join date</i>			

This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.

_____ Signature of Authorized Insurance Representative	_____ Date
_____ Title	
_____ Printed / Typed Name	

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*



Deadly Weapons Response Program:

Triggers, Limits, Deductibles and Other Coverage Features for Governmental Pools

Coverage Trigger

An event occurring at a location appearing on your Schedule of Values on file with Alliant where a weapon has been used or brandished. A weapon is broadly defined as any portable or handheld device, instrument or substance which is used by the Assailant(s) in a manner to deliberately cause death or bodily injury.

“Weapon” can also include any road vehicles (private or commercial land-based vehicle) intended for use on public roads. Some weapons are excluded by the policy such as military vehicles, nuclear weapons and drones.

ABOUT ALLIANT INSURANCE SERVICES

Alliant Insurance Services is one of the nation’s leading and fastest growing distributors of diversified insurance products and services. In the face of increasing complexity, our approach is simple: bring on the best people and invest more deeply in the industries and clients we serve. We operate through a network of specialized national platforms and regional offices to offer a comprehensive portfolio of services to our clients. Our goal is to ensure that they get the most innovative products—and the most innovative thinking—in the industry. www.alliant.com

Coverage Limits

- ▶ Self-Insured Governmental Pools: \$500,000 per claim with a \$2,500,000 aggregate shared amongst your pool members
- ▶ Sub-limits Included within Coverage Limit:
 - 1st Party Property Damage: \$250,000 per event
 - Business Interruption: \$250,000 per event
 - Crisis Management: \$250,000 per event
 - Funeral Expenses: \$250,000 per event
 - Counselling Services: \$250,000 per event
 - Demo/Clearance/Memorialization: \$250,000 per event
 - Threat: \$250,000 each and every Deadly Weapon Event
 - Medical Expense: \$25,000 per person and \$500,000 in the annual aggregate
 - Accidental Death and Dismemberment: \$50,000 each person and \$500,000 in the annual aggregate
 - Crisis Services Provided by CrisisRisk: <https://www.crisisrisk.com/>

Deductible: \$10,000

Other Coverage Features

- ▶ Automatic coverage for new locations added mid-term, no reporting necessary if value is under \$25,000,000
- ▶ Temporary Locations/Venues can be added if sufficient underwriting information is provided

Please note: Actual terms and conditions are governed by the policy.

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Vice President
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 206-454-8021



Deadly Weapons in the Workplace

In the modern world, threats come from many sources. One of the most difficult to defend against is the incursion of an armed individual intent on inflicting harm. Your organization may have a “duty of care” to maintain a secure environment for your staff, students, patients, visitors and the general public. In the event of a deadly attack, you could be liable for regulatory or civil actions.

There are significant challenges to securing places of business, particularly ones where visitors come and go frequently.

In addition to the tragic human costs associated with a deadly weapons attack, many organizations are also concerned about the financial impact associated with such events. While general liability, property and workers’ compensation policies can respond meaningfully to such events, not all anticipated costs will be covered in every situation. These costs can be significant, and for this reason, the **Alliant Deadly Weapons Response Program** is designed to address uncovered expenses

How and when does my General Liability policy respond?

General liability insurance is designed to cover financial loss when the insured is deemed negligent in causing or contributing to the injuries of a third party. It is not always immediately clear in a deadly weapons event if an employer or property owner was negligent in such situations. Further, general liability insurance is not designed to cover first-party expenses such as funeral costs, crisis management consultants, public relations expenses or immediate counseling of victims and their families, which can all arise from such an event.

What about my property policy?

If your operations need to cease temporarily, or even permanently because of an event, your building must sustain direct physical damage in order for your commercial property policy to compensate you for lost revenue. Without physical damage, there still can be stigma associated with an event site which not only is hard to quantify, but also creates difficulty in continuing on as before, which a property policy is not designed to address.

INDUSTRIES EXPOSED

Municipalities: Counties, Cities, Townships

Education: Elementary Schools, High Schools, Universities

Healthcare: Hospitals, Nursing Homes, Clinics

Hospitality: Hotels, Resorts, Nightclubs

Special events including: Sports, Parades, Graduations, Rodeos, Concerts

Retail: Malls, Shopping Centers

Religious: Churches, Synagogues

Amusement Parks and Attractions

Condominium Associations, Public Works



Since 2002, no incident has been declared as a “Certified Terrorist Attack.”

How would Workers’ Compensation apply?

While workplace injuries sustained in the course and scope of employment are covered, there can be delays in assisting employees with trauma when no obvious physical injury has been sustained. Employers will want crisis counseling services provided immediately.

Won’t Terrorism cover us?

Insureds may also believe that deadly weapon incidents are covered by the Terrorism Risk Insurance Program Reauthorization Act of 2015 (TRIPRA) or a stand-alone terrorism insurance policy. However, not all violent actions fall neatly into the definition of Terrorism which normally requires some ideological motivation on the part of the perpetrator. TRIPRA requires significant financial thresholds to be breached before this coverage can be made available and events must be declared a “Certified Terrorist Attack” by the heads of three federal agencies to qualify. Since 2002, no incident has been declared as a “Certified Terrorist Attack.”

How can Alliant help me?

As the nation’s premier specialty retail insurance brokerage company, Alliant Insurance Services has developed the **Alliant Deadly Weapon Response Program**. Deadly weapons protection insurance aims to address an entity’s needs after a violent incident.

Why purchase Deadly Weapons Protection?

The coverage offered is a three-fold product providing Third Party Liability (inclusive of Defense and Settlements), Physical Damage to your assets (including Business Interruption whether or not there is physical damage sustained) and Crisis Management Services component before and after an incident.

ABOUT ALLIANT INSURANCE SERVICES

Alliant Insurance Services is one of the nation’s leading and fastest growing distributors of diversified insurance products and services. In the face of increasing complexity, our approach is simple: bring on the best people and invest more deeply in the industries and clients we serve. We operate through a network of specialized national platforms and regional offices to offer a comprehensive portfolio of services to our clients. Our goal is to ensure that they get the most innovative products—and the most innovative thinking—in the industry. www.alliant.com

COVERAGE

Standard Offering

Policy Limit of \$500,000 per claim/aggregate (Pool aggregate \$2,500,000)

Sublimits for:

- \$250,000 1st Party Property Damage;
- \$250,000 Business Interruption;
- \$250,000 Crisis Management;
- \$250,000 Counseling Services;\$250,000 Funeral Expenses;
- \$250,000 Demo/Clearance and Memorialization;
- \$250,000 Threat;
- \$25,000 Medical Expense per person, \$500,000 annual aggregate;
- \$50,000 Accidental Death and Dismemberment per person, \$500,000 annual aggregate

Policy Deductible is \$10,000.

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Item No: E.4.

ADMINISTRATION EQUITY RECLASSIFICATION

ACTION ITEM

ISSUE: Consider reclassification of unspent SIA Admin balances to each member’s Loss Control account.

RECOMMENDATION: Staff recommends the Board approve reclassification of the prior fiscal year equity balances; reclass each member’s SIA Admin balance into their respective Loss Control equity account.

FISCAL IMPACT: There is no expected fiscal impact. This will free up the balances to be available for each member’s loss control activities. Upon approval, the reclassification will be reflected in the SPA financials effective 3/31/2022.

BACKGROUND: The Board previously approved funding of the pool to include \$75,000 of administrative contributions (SIA Admin) to offset and reimburse the costs of SIA performing the pool’s administrative activities and acting as the Managing Member per the JPA agreement. For the 2020-2021 fiscal year, SIA declined to accept the administrative cost reimbursement due to the relatively low level of administrative duties. The SPA JPA equity balances, as of 6/30/21, are summarized as follows:

	3.2%	6.3%	14.9%	58.3%	17.3%	
	BSSFP	NBSIA	RESIG	SIA	SIG	Total
6/30/21 Balances						
Retained Layer	91,221	318,672	427,217	1,669,029	493,861	3,000,000
SIA Admin	2,281	7,967	10,681	41,726	12,347	75,000
Loss Control	4,567	16,443	23,305	103,649	20,017	167,981
Appraisals	4,562	15,933	21,362	83,451	24,693	150,000
Total Net Position	\$ 102,630	\$ 359,014	\$ 482,564	\$ 1,897,855	\$ 550,918	\$ 3,392,981

ATTACHMENTS: None.

Item No: E.5.

2022 PROPERTY (AND APD) RENEWAL DISCUSSION**ACTION ITEM**

ISSUE: We will discuss the data request that was released for the 2022 property/APD renewal process. Additionally, we will discuss the desire/need to re-run the CoreLogic wildfire risk score for 2022.

RECOMMENDATION: No action on the data request discussion. Action required on the CoreLogic wildfire risk score decision.

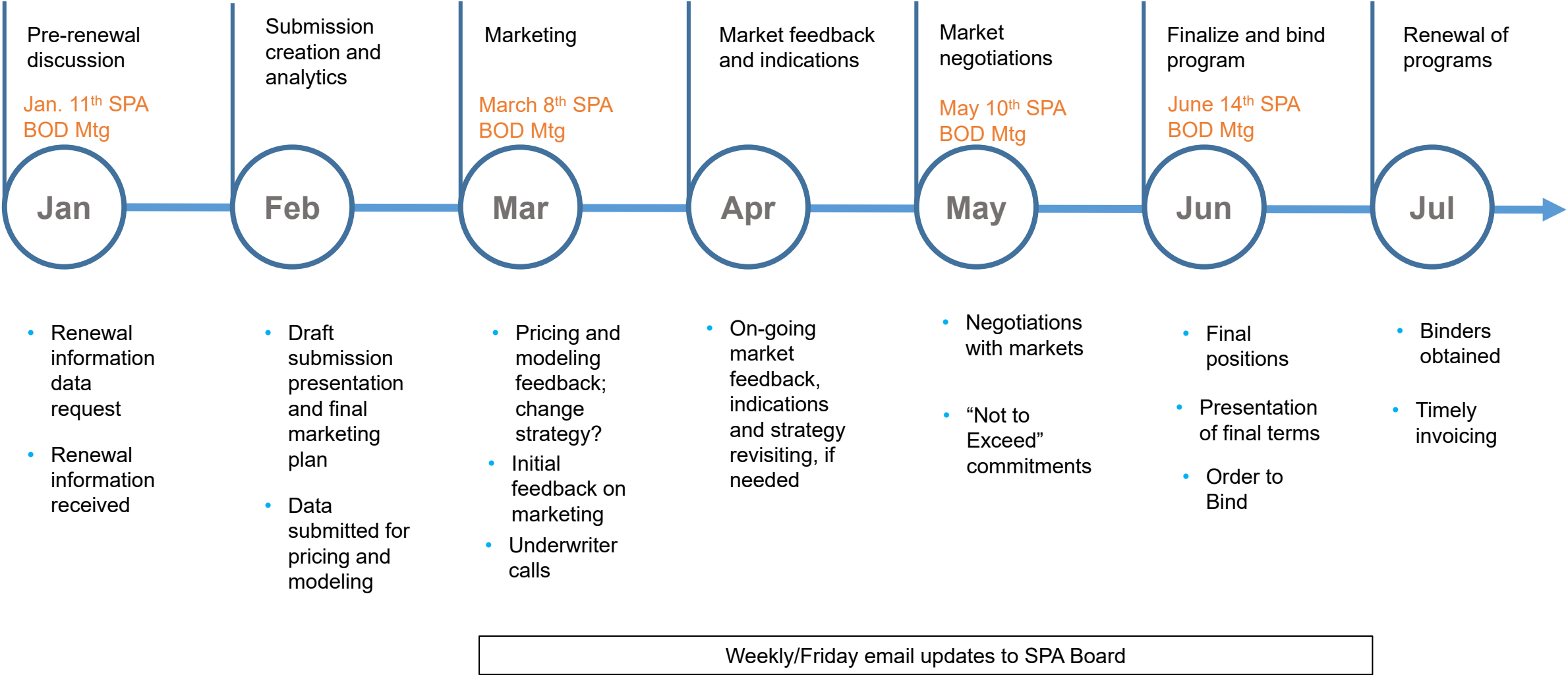
FISCAL IMPACT: No impact on the data request discussion. Estimated cost of ~\$5,000 if the CoreLogic wildfire risk score is run again in 2022. This would be paid for out of the loss control funds funded by member's annual deposit and held by SPA.

BACKGROUND: Regarding the data request topic, now that this has been released to members for the 2022 renewal, we would like to continue with ongoing dialogue regarding the collection and evaluation of the renewal data. Timely collection of the data will assist in a timely review, evaluation, reconciliation and release of the data to the markets to begin the marketing process, as well as the additional analytics work (modeling, etc.).

Regarding the CoreLogic wildfire risk score, for the 2021 renewal, SPA engaged CoreLogic in order to model the locations relative to wildfire risk. The CoreLogic tool returns a score that evaluates the level of risk each location poses for wildfire loss. This perspective was used for two key benefits in 2021: (1) SPA Members were educated on how this tool worked and how to interpret the results, which allows each to become more familiar with their portfolio of risk as well as strategize on potential loss control needs/initiatives and (2) SPA was able to demonstrate a proactive nature to our key underwriters regarding this marquee exposure (many of which use this tool also).

ATTACHMENTS: 2022 Timeline

WORKING SPA Renewal Timeline and Milestones



Item No: E.6.

LEARNING MANAGEMENT SYSTEM REVIEW**INFORMATION ITEM**

ISSUE: SPA members are evaluating options for Learning Management Systems and have prepared the attached matrix summarizing their review to date. Members of the committee will be present to present their findings.

RECOMMENDATION: Review and provide feedback and/or direction.

FISCAL IMPACT: None expected from this item. Group purchase discount one goal of review.

BACKGROUND: Members identified this as LRP-1 in the SPA Long-Range Action Plan. An ad-hoc committee of SPA representatives has been working to review members' current systems and other potential vendors.

ATTACHMENTS: LMS Evaluation Matrix

Rating Scale	
None	0
Some Functions	1
Most Functions	2
Full Function	3

Criteria/LMS Name	NBSIA experience with Vector (Target) Solutions	RESIG experience with Vector (Target) Solutions	Presidio	Accutrain	Hour Zero	Public School Works
Website	https://www.nbsia.org/target-solutions-online-training		https://safetysourceonline.com/company/presidio-lms/	https://accutrain.com/	www.hour-zero.com	https://corp.publicschoolworks.com/
Description of Service	Full service training	Full service training	general training, not school specific	AccuTrain offers insight-filled professional development for teachers to help meet the evolving needs of today's students	maintain your emergency preparedness program, and provides you with access to emergency resources and training	School-specific, CA compliant full service training
Member(s) Using Now	BUSD, CIUSD, DJUSD, DUSD, FSUSD, NCOE, NVUSD, SCOE, SHUSD, TUSD, VCUSD	RESIG (40 school districts)	n/a		35 SIA members	Schools Insurance Group
Member Support	3 has phone, email or chat support				1: members support their users, then escalate to HZ via email	3 has phone & email support
Assign Courses to Specific Users	3	3			3	3
Variety of School Focused Topics	3	3			1	3
Ongoing Updates of Courses	1	1			1	3
Add Own Courses With All Functions	3	3			0	3
Run Reports, Dashboards, at Member & Pool Levels	3	3			0	3
Ability to Link to Online Courses	3	1			0	2
Interactive Courses - Tests, checks, Video, etc.	3	3			3	2
ADA Accessible All Content	3	2			3	3
Courses in Multiple Languages	shelving courses in Spanish	shelving courses in Spanish			0	2
New Law Updates and Training	1	1			0	3
Production value: current, quality	2	2			3	3
Training Email Notices	3 (admin needs to set up first)	3			1	3
Training Reporting to Mgmt	3 (admin needs to set up first)	3			0	3
Auto Data Transfer & Updates	Light Support - \$2,000 Full Support \$4,000	1			0	3
Pricing	Year 1 \$34,891.26, Year 2 \$48,521.68, Year 3 \$60,152.10	Expensive based on ee count			\$75,000 / year	preferred pricing for Safety National customers

34

32

16

42

Fully self-supporting your profile refresh - With detailed instructions from us, you will update user information such as email addresses, passwords and access levels within the learning management system. You will remove users that are no longer with your school district and add new users as you onboard new employees. To help in this effort and provide best practices, you will have access to a pre recorded webinar.

Shared profile refresh process between you and Vector Solutions - With this annual selection, you will receive detailed instructions to outline your refresh process and how to run VS platform reports needed for your profile refresh. Once completed, you will send your updated user information to your CSM. They will work with our technical support team to make changes to your user information in the Vector Solutions platform. You will be notified when the information has been updated. Please allow 7-10 business days to complete.

This optional service offering includes:

- Detailed completion instructions
- Preferred selection of profile refresh month - June, July or August
- One optional profile refresh review call with your CSM
- Notification when the process is complete

If choosing this annual support option, please also select the month in which you will work with your CSM to complete the profile refresh process (June, July or August).

There will be a service offering fee of \$2,000 for this support model.

Vector Solutions full profile refresh support services

Selecting an annual full service profile refresh with Vector Solutions will allow you to access a best practices webinar and be provided with instructions and customized documentation tools to use throughout this process. You will also have the opportunity to participate in two optional profile refresh review sessions with your CSM for guidance and questions. Our technical support team will import your user information, automatically updating your user profiles (passwords, emails, access levels, etc.) and removing deactivated users.

This optional service offering includes:

- Detailed completion instructions
- Preferred selection of profile refresh month - June, July or August
- A formatted spreadsheet for accurate user upload*
- Customization of spreadsheet to mirror your organization's structure*
- Custom reporting for accurate information provided by your CSM*
- Technical support upload of user information
- Validation review of completed updates, limited spot checking*
- Notification when the process is complete

*These profile refresh support items are only available with this profile refresh option.

If choosing this annual support option, please also select the month in which you will work with your CSM to complete the profile refresh process (June, July or August).

There will be a service offering fee of \$4,000 for this support model.

Item No: E.7.

SELF INSURANCE OF CYBER EXPOSURE – PORTAL UPDATE**INFORMATION ITEM**

ISSUE: At the last Board Meeting, Alliant staff was directed to work with each SPA member to collect necessary application information to build a SPA option for Cyber cover. Plans are now in place to work with each SPA member according to the specifics of their application situation, and conversations with each member about how to best go about this process has begun.

It is expected that all SPA members will be fully engaged in the process of collecting application information over the next several weeks, with the goal of completion in early February.

RECOMMENDATION: None at this time.

FISCAL IMPACT: Unknown.

BACKGROUND: Regardless of how to best structure a new cyber offering to SPA members, critical is the collection of underwriting data as this will be key to obtaining market support. Alliant has developed the *Cyber PE Application Portal* to ease in the collection and management of the many cyber applications that insureds are now being asked to complete. The rollout to clients is on a timeframe tied to the 2022 renewal process and we are now at that juncture in time where it is appropriate to begin seeking completion of applications. With the portal, insureds will be able to complete a standard cyber liability application electronically, which will be useful in marketing cyber liability cover. SIA is already engaged in this process, and it is likely that if PRISM will also soon ask its members to attempt to complete applications.

For JPA's, the portal has been constructed to allow **each insured** of a JPA to have its own unique identity and therefore unique application to complete, as carriers require applications at the “system” or insured level to properly underwrite.

For clients who **do not wish** to use the portal to complete an application, while this is not ideal as it precludes the ability to easily aggregate data, a soft copy of the application can be downloaded from the portal to be used instead. In the attachment section of this item is a **sample** announcement e-mail, the gist of which contains an explanation of the need and process for creating a client identity in the Portal.

ATTACHMENTS: Sample Portal Announcement

Attachment 1 – Sample Portal Announcement

Dear _____:

As you are aware/as we have been discussing, we are expecting a challenging 2022 renewal season. This challenge will certainly be the case with respect to cyber liability, where a significant uptick in both the frequency and severity of claims has occurred over the past 36 months. As such, insurers are becoming much more restrictive in writing policies, and are requiring more information about customer IT practices.

In order to respond to some underwriters demand for greater underwriting information, the Alliant Public Entity Group has created a “**Public Entity Cyber Application Portal**” (Portal) where clients can efficiently complete a comprehensive cyber liability application for use in securing new or renewal terms of coverage.

Given the dynamism of the cyber market, completion of an application will provide the best bet in allowing us to be able to provide you with the most competitive and robust renewal options. The portal will allow for multiple user credentials for each of our clients, such that multiple people in your organization can coordinate to respond to questions where one person may not have all the information necessary to complete the application. A soft copy of the application can also be downloaded, completed, and returned to us if that is your preferred method of response.

To begin the process of using the portal, creating a secure account is required. In the next few days, you will be receiving an email from the address “noreply@cyberpublicentity.com” with the subject line: “You have been invited to access Alliant’s Public Entity Cyber Application Portal”. If you do not receive this e-mail, please check your spam folder for it as a possibility, and call me if not located, as that would indicate that we have poorly transcribed your e-mail address in the system. Once you receive the e-mail, please take the following steps to set-up your access:

1. Open the link from the e-mail
2. Fill out the required information, and select a secure log-in id and password
3. Complete any further steps enumerated to create an account
4. Log into the web address url “cyberpublicentity.com” or the application link provided in the e-mail using the login id and password you created.
5. Complete the cyber application.

Please note that the link provided in the aforementioned e-mail will expire seven days from receipt. After this time-frame, you would need to call or write me to request re-activation of the link to set-up your secure access.

Notably, once an application is opened, it can be worked on, saved, and returned to later if more than one session is needed to complete. We would ask that the application be completed as soon as possible, or no later than February 1st.

Item No: E.8.

SPA & BASIC ADMINISTRATION**ACTION ITEM**

ISSUE: SPA Board Member, Christy Patterson would like the SPA Board to discuss approaches to coordination of SPA administration with the Bay Area Schools Insurance Cooperative (BASIC) administration.

RECOMMENDATION: It is recommended that the SPA Board discuss this topic and provide direction as appropriate.

FISCAL IMPACT: No fiscal impact is expected from direction given at today's meeting.

BACKGROUND: The SPA Program Administrators have placed this item on the agenda at the request of a Board member. When SPA's Property Program launched, the membership of BASIC's Property Program (BSSFP, NBSIA and RESIG) dissolved that program to join with SIA and SIG in the new SPA Property Program. At July 1, 2021, SPA launched a joint purchase Excess Liability Program, with BASIC joining SPA to partner with SIA for joint purchase of excess liability coverage.

BASIC is administered under contract by Sedgwick. SPA is administered by Alliant as a part of the SPA Brokerage and Program Administration Agreement.

ATTACHMENTS: None.

Item No: E.9.

PROPERTY VALUATION STRATEGY

INFORMATION ITEM

ISSUE: The Program Administrators continue to monitor the property value trend factors used by underwriters to keep pace with inflation. The latest development is the release of trend factors for the Alliant Property Insurance Program (APIP). That program will use trend factors of 7.5% for real property and 5% for personal property for July 1 renewals, breaking with their tradition of using Marshall and Swift factors. Attached is an overview of the APIP trend factors and the key drivers of the increases.

SPA staff is still in discussions regarding the best approach to trending for the upcoming renewal and note that members with an appraisal report produced within the last year will not be subject to trending. A review of the early results from Butte's appraisals will be available at the meeting.

It is expected that the Board will take action on trending no later than the February 2022 meeting so that final values are agreed in the renewal specifications.

RECOMMENDATION: No action is expected at today's meeting. The Board may provide direction that will lead to action at a future meeting.

FISCAL IMPACT: Trending the values of insured property will tend to increase the premium, though perhaps not as much as the percentage increase in the values, given target premiums.

BACKGROUND: Members have requested an overview of the trend factors used to update the property values and an update on how those factors may impact the FY 22/23 property renewal.

Marshall and Swift (M&S) is the leading provider of trend factors and have recommended a year over year 19% real property increase as of 2021 Q4. Other providers have published differing trend factors. Duff and Phelps uses the M&S factors and trends the values at the end of the calendar year based on 4th quarter factors, as does the Alliant property program, APIP. The appraisals for Butte have been completed and values will be uploaded before the end of the year. D&P has confirmed they can complete all the assigned appraisals, except for SIA, by the end of 2022.

The appraised values will not need to be trended this year, though the properties not appraised will be subject to trending. The remaining appraisals will be uploaded when received without trending once each draft appraisal is approved by the SPA member.

ATTACHMENTS: APIP Values Reporting and Trending



Your Schedule of Values: Reporting & Trending

There are several key drivers of increasing costs of construction. Higher than average trend factors are likely to continue into the foreseeable future.

Each year, your schedule of values should be trended to account for inflation and ensure that values remain accurate between appraisals.

Values accuracy is a key issue for the Alliant Property Insurance Program (APIP), not only to maintain credibility with the carriers that participate on the Program, but also to ensure that exposure analysis is performed using accurate data.

In years where appraisals are not performed, values are trended. Average trend factors over the last 5 years are 2.4% for real property and 1.9% for personal property.

Due to the inflation that we have seen over the last year, standard **trend factors proposed for the 2022/23 renewal are 7.5% for real property and 5% for personal property.**



Labor Shortages

The global pandemic has affected the construction industry's workforce with 72% of contractors experiencing project delays due to COVID-19.



Material Costs

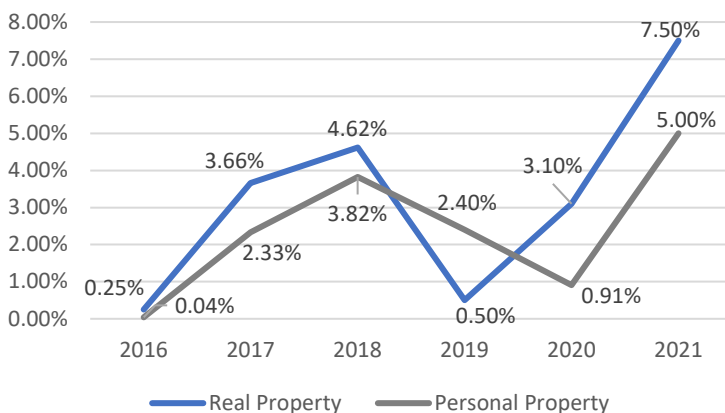
The cost of building materials such as lumber, copper and steel have increased dramatically over the last year. For example, in June of 2020 a 2x4 stud, the most common framing material, cost \$2.96. In June of 2021 it cost \$8.25.



Supply Chain Interruption

As of mid-September 2021, a record 56 container ships were waiting off the coast of California. The queue is a result of COVID-19 related disruptions, and holiday-buying surges, paired with a national labor shortage.

Historic APIP Trend Factors



Although value trending takes place annually, we are highlighting it this year due to the historically high trend factors.