

Successfully Managing Property Losses



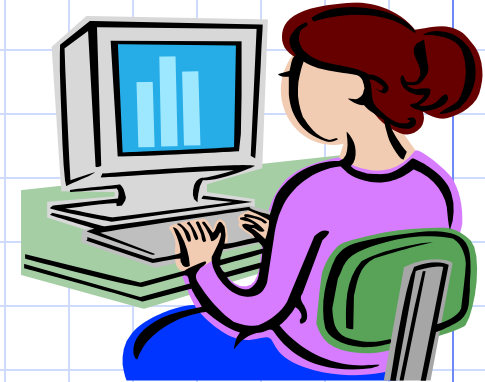
Deductibles

- ◆ First \$25,000 is the College's or Dept.'s obligation
- ◆ \$25,001 to \$250,000 is the University's obligation
- ◆ \$250,001 to \$1,000,000,000 is actual insurance (Factory Mutual)

Keys

- ◆ NOTIFY
- ◆ PROTECT
- ◆ MITIGATE
- ◆ DOCUMENT





Property Loss Report

Any department, college, campus sustaining a loss should complete this form [Property Loss Report](#) and send to the Risk Management Office



THIS FORM MUST BE COMPLETED IN ITS ENTIRETY AND RETURNED TO THE

OFFICE OF RISK MANAGEMENT – 523 RIDER BUILDING – 120 S. BURROWES STREET – UNIVERSITY PARK, PA 16801
Phone (814) 865-6307 Fax (814) 865-4029

Department/College: _____ Date of Loss/Time: _____

Contact Person: _____ Phone No.: _____ E-Mail: _____

Description of Incident: _____

Nature of Loss (choose one)

Water ____ Fire ____ Storm ____ Electrical Surge ____ Robbery & Theft ____

Other (explain) _____

Notifications (check)

Police Services ____ Indicate Incident no.: _____ EH&S ____ Indicate Name: _____

OPP ____ Indicate Work Order No.: _____ Indicate Name: _____

Location

Building _____ Floor(s) _____ Rooms/Offices _____

Other _____

Please forward photographs along with this report. Photographs may be e-mailed to mxj4@psu.edu.

****Submission of this report does not guarantee funding for this loss****

Signature _____ Phone No.: () _____ E-mail _____



BASIC PRINCIPLES OF RESPONSIBILITY:

- ◆ It's the **Insurance Company's** responsibility to pay to put the University back in the same condition as the day before the loss (like kind and quality equipment, purchased new; facility rebuilt and cleaned to pre-loss state).
- ◆ It's the **Risk Management Department's** responsibility to gather the documentation from the College/Campus (including invoices from OPP, and outside contractors hired to make specific repairs); negotiate with the insurance company over grey areas; act as intermediary and interpret insurance policy issues; and approve budget transfers to reimburse the College/Campus and OPP.
- ◆ It's the **College/Campus'** responsibility to restore the facility (through OPP, and in conjunction with Risk Mgmt hire specialist contractors); document the damage including PO's, work orders, etc. as mentioned above; inventory equipment and materials affected; and itemize funds expended

FIVE EASY STEPS TO A SMOOTH PROPERTY LOSS RECOVERY

- 1) Do not throw anything out. The College needs to separate damaged from undamaged property.
- 2) If necessary, call in the manufacturer service rep. to inspect the equipment in question. If the service rep. suggests replacement rather than repair, written documentation in support of replacement versus repair must be obtained from the vendor.
- 3) An inventory by room number should be compiled. This inventory should contain name and description of each piece of equipment and also include the manufacturer's information such as serial numbers and model numbers. It should also list the date of purchase, purchase price, cost associated with repair or replacement cost. All non-equipment material should also be captured on the inventory.
- 4) Support of the loss is important. Please retain all copies of invoices, purchase orders and any other support that may be important to document the loss.
- 5) If an employee's or graduate assistants' lost wages are being charged to a grant, a time sheet must be maintained. This is to include the date of when work was performed, actual time spent, description of work performed and hourly rate of pay. We strongly recommend that graduate assistants be placed on wage payroll for any work performed associated with the loss.

Loss Checklist

- ◆ Protect the area from further damage.
- ◆ Fix leaking pipes.
- ◆ Restore fire protection.
- ◆ Temporarily support collapsed or impaired structures.
- ◆ Board up the premises and correct unsafe conditions, if applicable.

Checklist continued

- ◆ Isolate the damaged area wherever possible.
- ◆ Separate damaged from undamaged property.
- ◆ Restore power to critical areas such as freezers.
- ◆ Retain any piece of equipment or other property which may be the cause of the loss.

Checklist continued

- ◆ Take photographs, if possible, prior to the removal of any debris.
- ◆ Obtain repair quotations.
- ◆ Create a work order for all related expenses incurred.
- ◆ Keep all invoices, purchase orders and repair quotes.

Repair or Replace?

The loss amount will not exceed the lesser of the following:

- ◆ The cost to repair.
- ◆ The cost to rebuild or replace on the same site with new materials of like size, kind and quality.
- ◆ The cost in rebuilding, repairing or replacing on the same or another site, but not to exceed the size and operating capacity that existed on the date of loss.

Repair or Replace? continued

- ◆ The cost to replace un-repairable electrical or mechanical equipment, including computer equipment, with equipment that is the most functionally equivalent to that damaged or destroyed, even if such equipment has technological advantages and/or represents an improvement in function and/or forms part of a program of a system enhancement.

Repair or Replace? continued

- ◆ The increased cost of demolition, if any, resulting from covered loss, if such property is scheduled for demolition.

Leased Property

- ◆ Need to check terms and conditions of the agreement. Insurability of the property may have been transferred, and is now the responsibility of the University. If that is the case, University property deductibles will apply.

Personal Property



- ◆ Depends on the circumstances of the event. Natural versus Human error
- ◆ Employee – personal homeowner's or renter's policy
- ◆ Student – housing contract requires personal property insurance. This would be either be a parent's homeowner's or an individual renter's policy
- ◆ Complete an Incident Report



INCIDENT FORM

Risk Management Office - 103 Rider Building - 227 W. Beaver Ave. - State College, PA 16801
 (814) 865-6307 FAX (814) 865-4029

DO NOT use this form for Workers' Compensation or automobile accident claims.

TIME & PLACE OF ACCIDENT/ INCIDENT	Date: _____ Time: _____ Location: _____		
	City: _____ State: _____ Zip: _____		
PROPERTY DAMAGE	Owner: _____ Phone: _____		
	Address: _____		
	City: _____ State: _____ Zip: _____		
INJURED PERSON	Name: _____ Age: _____		
	Address: _____ Phone: _____		
	City: _____ State: _____ Zip: _____		
	Occupation: _____ Nature of Injury: _____		
	Injured taken to: _____		
WITNESS	NAME	ADDRESS	PHONE
	_____	_____	_____
	_____	_____	_____
FACTORS	Premises: dry wet snow covered icy other: _____		
	Surface: concrete asphalt metal carpet tile other: _____		
	Lighting: indoor (on or off) outdoor (sunny or overcast)		
	other: _____		
DESCRIBE INCIDENT FACTS IN DETAIL			

Students Only: I hereby grant authorization to The Pennsylvania State University to release this Incident Form to its insurance carrier(s) if warranted for their use in evaluating a claim. I understand that I am entitled to a copy of this Form upon request.

Signature: _____ Date: _____

Report Taken By: _____ Date: _____

All losses are resolvable – as long as everyone pays attention to the process and communicates properly.

