



MEMBER ALERT

Vacant Property Changes for FY2024-25 for Property/Liability Members (June 2024)

In an effort to stabilize rates for our property program during a difficult insurance market, the Schools Program Alliance (SPA) Board (NBSIA Excess Property Coverage Partner) approved a vacancy limitation to \$500,000 for all loss to a vacant structure and its contents. A District can apply for a vacancy permit that would allow for higher coverage limits with Board approval.

Current Procedure

Throughout the year, members notify NBSIA of changes to their property schedules so we can update our records and ensure adequate coverage.

New Requirement

The Vacant Property and Permit process will begin July 1, 2024. The vacancy limitation of \$500,000 is applied automatically for all loss to properties falling under the vacancy property definition. A member district that can show a vacant location is adequately protected will be eligible for an increased limit subject to the SPA Board of Directors approval.

Vacant Property Definition

Real Property, whose construction code calls for occupancy that is not occupied by the member of the Named Insured and does not contain Business Personal Property in a sufficient amount to conduct normal operations. A property will be considered a Vacant Property if not occupied for 90 consecutive calendar days. Vacant Property does not include a structure that is intended for future use on an occupied, active site.

Vacancy Permit

A SPA-approved and provided permit, allowing for the removal of the Vacancy Property sublimit for a property falling under the Vacant Property definition.

Recommendation

Members notify NBSIA of all vacant property and submit vacancy permits for approval, or, 30 days prior to the property expected to become a vacant property.

- Any location fitting the Vacant Property definition, now or at time of loss, will be subject to \$500,000 sublimit. (enough for debris removal and clean up)
- To re-gain full coverage, members can submit a vacancy permit demonstrating protections and up-keep requirements. (see permit for further details)
- SPA Board will review/approve any Vacancy Permit

Should you have any questions, please do not hesitate to contact Kim Santin at KimS@nbsia.org



Schools Program Alliance

c/o Alliant Insurance Services
Corporation Insurance License No. 0C36861
2180 Harvard Street, Suite 460, Sacramento, CA 95815

SPA VACANCY PERMIT REQUEST

Effective July 1, 2024, the SPA Program will apply a \$500,000.00 **Vacant Property sublimit** for any properties meeting that definition in the SPA Memorandum of Coverage (MOC). Following is the definition in the MOC:

Real Property, whose construction code calls for occupancy, that is not occupied by the member of the Named Insured and does not contain Business Personal Property in a sufficient amount to conduct normal operations. A property will be considered a vacant property if not occupied for 90 consecutive calendar days.

Vacant Property does not include a structure that is intended for future use on an occupied, active site.

For properties that are able to mitigate the higher risk associated with a Vacant Property, via security and risk management measures, SPA will issue a Vacancy Permit confirming the sublimit has been removed. The Vacancy Permit will be an endorsement to the SPA MOC and designate the amount of coverage for the structure. **Coverage will only apply if the identified security and risk management measures are maintained up to and through the time of loss.**

Criteria to qualify for a Vacancy Permit:

Please answer yes or no to the following questions:

- a. Is regular and routine maintenance is being performed?

Answer: Yes No

- b. Are documented site inspections conducted no less than once a month?

Answer: Yes No

- c. Minimum protective safeguards, such as sprinkler systems and burglar alarms are maintained in full service? – describe _____

Answer: Yes No

- d. Perimeter doors and windows are locked and secured?

Answer: Yes No

- e. Security guards patrol the property, not necessarily always on site but periodically during a 24-hour period, each day?

Answer: Yes No

- f. All hazardous or combustible material has been removed?

Answer: Yes No

- g. Confirmation your organization's understanding and acceptance that the measures above will be kept in place until the property no longer falls under the Vacant Property definition in the MOC or the limit is \$500,000?

Answer: Yes No



Notice and Timing:

A completed Request should be submitted 30 days prior to the property needing a Vacancy Permit. SPA will respond within 10 business days of receiving a completed Request. If a Vacancy Permit is issued, SPA will release it within 5 business days of the approval notification.

Send requests and notices of any changes to: michelle.minnick@alliant.com and jenna.wirkner@alliant.com

Additional Information needed to submit this request:

Address of Property(ies) for which a Vacancy Permit is being requested:

The undersigned authorized officer/manager of the applicant declares that the statements set forth herein are true. The undersigned authorized officer/manager agrees that if the information supplied on this application changes after completion, they (undersigned) will notify SPA as soon as practicable of such changes, and SPA may withdraw or modify any outstanding quotations and/or authorizations or agreements to provide coverage.

Signing of this application does not bind the applicant or SPA to complete the coverage, but it is agreed that this application shall be the basis of the contract should a vacancy permit be issued.

All written statements and materials furnished to SPA in conjunction with this application are hereby incorporated by reference into this application and made a part hereof.

Person and role of submitter of this request:

Signature:

Date: