



## RISK MANAGERS MEETING

RADISSON WEST | Madison, WI

July 26, 2018

*Present:* Willie Henning (CVTC), Lance Klukas (CVTC); Cindy Buelow (FVTC); Joshua Cotillier (Madison); Doug Gerbitz (Madison); Greg Bruckbauer (MSTC); Virginia Hartt (MATC – Milwaukee); Bonnie Baerwald (MPTC); Carrie Kasubaski (MPTC); John Van de Loo (NATC); Mathew Schur (NATC); Roxanne Lutgen (NTC); Bob Mathews (NWTC); Andy Jennings (NWTC); Valarie Wunderlich (NWTC); Caleb White (SWTC); Bruce Neumann (WCTC); Amy Schmidt (WTC); Steve Decker (WITC); Joe DesPlaines (DMI); Tim McNulty (DMI); and Steven Stoeger-Moore (DMI)

Guests: Linda Joski, Kay Hannah, Therese O'Brien, Colton Neuberger, Tyler Wendorff, Samuel Storbs (Arthur J Gallagher)

Recording Secretary: Suzette Harrell (DMI Administrative Assistant)

1. **Introductions and Welcome** – With a big welcome, introductions were given by all present. S. Stoeger-Moore announced DMI's 15<sup>th</sup> year of operation. He directed the members attention to the Anniversary logo and said it would be used throughout the year. He recognized, Kay Hannah, for receiving Customer Service Manager of the Year for the Midwest Division of Arthur J. Gallagher. He presented her with a DMI tumbler. Due to time schedules, S. Stoeger-Moore invited B. Baerwald, (DMI Board Chair) to speak to the group regarding the previous days' Board meeting. Ms. Baerwald reported on the following:
  - a. **Election of Officers** - Bonnie Baerwald – Board Chair; David Brown – Board Secretary; and Roxanne Lutgen – Board Treasurer.
  - b. **Risk Mitigation Forum** will be bigger and better than ever. DMI Board allocated a budget amount and approved the event to again free for attendees. Members were encouraged to join in the activities in 2019.
  - c. **Out State Resident Worker's Compensation** – Everyone was advised the Board asked S. Stoeger-Moore to work with Linda Joski at Arthur Gallagher to devise a DMI Solution that covers out-of-state employee workers comp. A special meeting of the Board will be called to expediate the process and provide additional information to the Risk Managers.
  - d. **Tim Greene Retirement** - T. Greene announced his retirement for end of December 2018. The process to fill his position will begin in September 2018. The Board asked S. Stoeger-Moore to seek potential candidates internally from the Technical Colleges, as they have a qualified pool of candidates interested in the position.
2. **Timothy Greene** – S. Stoeger-Moore advised DMI is not employer of record (AJG) for Tim and not privy to his medical status. He was able to advise that Tim is on short term disability. He expanded on Tim's announced retirement plans. Based on DMI's Succession Plan, recruitment for his replacement will begin in September 2018. S. Stoeger-Moore was hopeful that Tim would be back to participate in the recruitment and training of his successor. In the meantime, Anne Romaine (United Heartland) was asked to fill in for Tim until his return. Anne will be on call for college member questions. She will coordinate four of Tim's identified Safety Audits in 2018. The Colleges to be audited are: WCTC, NTC, MSTC and WTC. Members were advised they could check on Tim's condition or contact him by going to [www.caringbridge.org/timgreene52](http://www.caringbridge.org/timgreene52) and sending a message.
3. **Risk Management Project Award Presentations by College Representatives** – **Blackhawk** – J. DesPlaines spoke on Blackhawk's behalf. Their project was an All Risk Assessment for Arming Security Staff. The project is complete, and Brad Smith is going to be asked to report out on this "hot topic" during the next quarterly meeting.

Chippewa Valley – W. Henning reported on interior camera placement in CVTC's auto program area, the campus bridge, and the Emergence Services Area. Active cameras (4 lenses with one line of active feed) were installed.

Fox Valley – C. Buelow reported on the camera upgrades made in the Day Care, Parking Lots and other heavily traveled areas.

Gateway – J. DesPlaines reported on behalf of Gateway. Project to install protective railing on buildings for maintenance safety. Expected completion, August 2018.

Lakeshore – J. DesPlaines reported on behalf of Lakeshore. Purchasing 24/7 Security Monitoring System. System has been installed and are training staff in the use of the equipment.

Madison – J. Cotillier reported on the replacement of two 15,000-gallon underground fuel tanks, installed in 1986. The tanks will be replaced with one 5,000-gallon fiberglass tank only because the original boiler needs had been reduced. Tank to be installed on August 24, 2018. The DMI award was used to cover the cost of the engineering and the development plan.

Mid-State - G. Bruckbauer reported their project for door numbering has been completed. The actual cost came in under the projection, so they used the remaining funds to purchase and install exterior lighting and fire open hallway door access equipment. All projects complete.

Milwaukee Area – V. Hartt reported 25 cameras have been installed in hall ways and on exterior walls. Trees are being trimmed to enable full captured camera views of surrounding areas.

Moraine Park – C. Kasubaski reported on their three projects related to Slips, Trips, and Falls. The first was a landscaping project at the Beaver Dam Campus. Hazardous pavers were removed and replaced with landscape rock, boulders, a flag, and shrubbery to hinder undesired walking access. Cable railings at the Fond du Lac campus ramp was replaced. Side walk, and parking lot repairs have been completed.

Nicolet Area – M. Schur reported on the conversion of current wooden doors to smart door systems for lock down situations. All classrooms and lab doors have been upgraded and this part of the projected is complete. Still waiting for wireless card readers, whose installation has been delayed because of the wooden door construction. The full project should be complete by start of academic school year.

Northcentral – R. Lutgen reported on their state Compliance Risk Review and told the group they had a significant number of modifications that were required to be taken care of for ADA Compliancy. The DMI funding was used to address (repairs, moving, replacing) items of concern.

Northeast WI – B. Mathews reported on door access enhancements throughout the College. A small project became a large project, which benefited the college with improved internal communications, and improved external vendors.

Southwest WI – C. White reported on the installation of a new PA system. All the equipment has been ordered and will be in place by August 15<sup>th</sup>.

Waukesha County – B. Neumann reported on their Clery Act Crime Data & Reporting Audit provided by Delores Stafford and Associates. WCTC spent several months gathering data. He stated the audit was eye opening and that they learned many things from D. Stafford that were never thought of. Found a few items that needed to be fixed, which they are in the process of doing.

Western – A. Schmidt reported on the installation of additional AED's and emergency kits, updated eye wash stations, and the purchase of area rescue sleds.

WI Indianhead – S. Decker reported on their standardization of WITC's secure door access for the Shell Lake and New Richmond campuses. Johnson Controls was their service provider. Keys were replaced with key fobs and off-site (mobile) remote access tied into the system. Eighty-five percent of the work has been completed. Testing of the system has also been completed. WITC very happy with the work that has been done.

WTCS – T. McNulty advised D. Stafford & Associates finished the 14 Annual Security Report Audits for the technical colleges. A report and webinar were provided with evaluation information, recommended

corrections, and instructions on where to find the recommendations. The posted webinar will be removed from access on July 27, 2018 at 5:00 pm. When questioned on who received the audit report, T. McNulty said the report would have been distributed to the “security” contact at each college.

WTCS – B. Neumann provided a “necessity” overview of this project. He said legal parameters were still being worked on and the project is still moving forward.

WTCS – A. Schmidt reported Western is working with Presidium to establish policies and practices to cover “Minors on Campus”. The policies are expected to be complete by October 2018. Idea bantering and information gathering is occurring within college departments, such as HR, to identify needs (background checks, application process, etc.), practices, criteria for policy, and just asking the right questions. A training model will be developed and shared with the other technical colleges. A. Schmidt will report out in April 2019.

2018/2019 Risk Management Project Award Announcement (Tim McNulty / Steven Stoeger-Moore) – Members were updated on funding history of the Risk Management Project Awards. To-date \$1.9M in funding (RMPA) has been distributed to the technical colleges. The DMI Board has approved \$436,000 to be utilized in DMI’s 5<sup>th</sup> RMPA program. Applications are due end of day, August 24<sup>th</sup>. RMPA application and instruction memo can be found on DMI’s website. Quotation(s) supporting the requested grant amount(s), are required. Members were advised a possible system-wide project was going to be applied for, by the CIO’s, to fund a Virtual Cyber Security Officer. A Virtual Cyber Security Officer was discussed and recommended during the DMI Presents...Cyber Security Forum 2018.

#### 4. Annual Renewal Coverage Update (Steven Stoeger-Moore)

a. Coverage Changes – See section 4 b.

b. Policies (7) Found on “My College Page” of DMI website - S. Stoeger-Moore reviewed the DMI program structure, coverages, deductibles, new product offering, etc. to members. He introduced DMI’s 7<sup>th</sup> (new) policy product – Active Threat | Active Shooter Policy. This policy is being put in place in response to violent occurrences seen throughout the United States school systems. S. Stoeger-Moore highlighted changes in rates and coverages:

Property Coverage – Due to significant losses last year, global markets have increased rates to compensate. Property coverage for the greater commercial market has increased 5 – 6%. The DMI BOD raised the DMI Property rate by 4.5%. This is first increase in property rates in 5 years. The increased rate also reflects new building appraisal values and their increased exposures. Tangible property is covered in a like, kind and quality to pre-loss condition. The challenge is in showing proof of loss. It was suggested that Risk Managers have students or staff members take photos of classrooms and labs. In addition to photos, use purchase orders, contracts and building appraisals to substantiate loss claims. Land, and time, expertise, staff used for recovery are not recoverable expenses. What is recoverable is what the College does to mitigate the extent of the loss and assist with ongoing mitigation efforts (such as overtime and outside help).

Educators Legal Liability and Directors & Officers Coverages increased 3% in the commercial insurance world. DMI’s rate did not increase.

Commercial Auto Coverage is up 6% - 15% in the commercial marketplace. This is due to the increased number of “distracted driving” claims. DMI’s rate remains the same.

Cyber Liability – This is the 3<sup>rd</sup> year DMI has provided cyber coverage to the colleges. This is first year the colleges could pick desired coverage limits (\$1M, \$3M, \$5M, or \$10M). Several colleges opted for higher limit coverage, but no one moved to obtain the \$10M coverage. The current DMI/Beazley policy is predominantly a 3<sup>rd</sup> party recovery policy. There are options available to the colleges for 1<sup>st</sup> party recovery coverage in areas such as Data Recovery and Restoration Protection

and Network Interruption due to data loss. Information on additional options were provided in the meeting's e-packet of support materials. Members were encouraged to ask questions. Individual college quotations will be provided upon request. The new coverage can start as soon as August 1, if a college desires. Premiums will be prorated. The group was advised commercial insurance providers are recognizing the need for more cyber related coverages.

Equipment Breakdown - \$100M Limit. The group was told to use Hartford Steam Boiler for inspections (provided to Colleges for free) to check pressure tanks/vessels, valves and lines, per Wisconsin guidelines. Risk Managers were advised to check pressure release valves annually.

General Liability – Casualty Policy – Document, document, document, take photos, and take action to mitigate potential loss. Report claims in a timely fashion to CCMSI.

Auto Liability (when college vehicle causes loss) College has two different deductible options (\$2,500 | \$5,000) available for passenger vans / vehicles to choose from. NWTC currently is participating in a pilot program that targets specific vehicles for the \$5,000 deductible and specific vehicles for the \$2,500 deductible - based on actual vehicle use and past loss history.

Educators Legal Liability (Directors & Officers | Errors and Omissions) - \$100,000 per occurrence for things like wrongful discharge. There are several claims currently in process. S. Stoeger-Moore provided the Risk Managers with an update on the Iftakar Memon (legal lawsuit) situation.

Sabotage & Terrorism – This policy contains better coverage than the federal governments' TRIA and TRIP coverage.

- c. 15 Passenger Vans – DMI does not provide coverage for 15-person passenger vans. If a rental agency is used to rent a 15-passenger van, DMI's auto insurance does not cover it, and the college should utilize the rental agent's insurance coverage. If the college requires a vehicle to accommodate more people, it is recommended a bus be rented or purchased. Fifteen persons passenger vans are still considered inappropriate for use, by the commercial insurance marketplace, because of poor vehicle engineering (improper weight distribution) and lack of driver required training.
- d. Drone Coverage – DMI's policy will cover drone operation loss to the limits of DMI casualty policy, only if the loss occurs during curricular use. Colleges must register their drones and abide by and monitor FAA regulations. Risk Managers were reminded if instructors are using drones for paying jobs they are not covered by DMI's policy. Instructors will need a Certificate of Authority (COA) to provide commercial operator services. Everyone was reminded, the person operating the drone is responsible for loss. So, a stand-alone aviation policy will be needed to provide coverage for loss events of college instructors providing "commercial operator" services. Students are considered hobbyists. If they bring their own drone, they will need their own coverage. DMI will send Risk Managers names of personalized insurance companies that provide hobbyist coverage.
- e. Counseling Services\_ - On-site college trained and licensed/certified staff can now offer therapy services to staff, students, and faculty and be covered by DMI.
- f. Accident Report Forms – Can be found on the DMI website.
- g. Auto ID Cards\_– Members were reminded to put Auto ID cards in college-owned all vehicles. Cards are on the DMI website.
- h. Active Shooter (Active Threat) - Newest policy to the DMI family of coverage. It is primary to all other insurance coverages in active shooter events or loss. Therese O'Brien (AGJ) reviewed the Active Shooter Policy Summary contained in the e-packet of support materials. She stressed DMI and the Technical Colleges are ahead of the curve in establishing coverage for active threat events. She stated the commercial liability insurance marketplace is waiting to hear the

outcome of MBM's federal lawsuit regarding its's liability claim responsibilities for the October 2017 mass shooting. They are claiming protection under a 2002 Federal Act, because they had contracted services with a US Homeland Security certified agency. Once a ruling becomes known, insurance carriers will determine how to respond to future claims. She touched on covered key "1<sup>st</sup> party" expenses. Issues to be follow-up by Therese included: 1. How does the College prove "decreased enrollment claims" because of an active shooter event? 2. If the College co-sponsors an event that is held off (college) site, which policy/coverage would cover an active shooter event; or is the college even liable for loss?

- i. Casualty Policy Coverage – Armed Security Staff – T. McNulty talked to the group regarding available options for arming college security staff. He indicated, due to restrictions in Wisconsin statutes, colleges are unable to employ security staff, if armed security is desired,
  1. the College may employ a "qualified retired law enforcement officer" who is supported by their home department and meets Federal HR218 standards.
  2. the College may employ a "qualified active law enforcement officer" that has sworn authority as defined by WI Dept. of Justice or Federal Uniform Code of Military Justice.
  3. the College may employ a certified and credentialed firearms instructor under the WI Law Enforcement Standards Board.
  4. the College may hire a School Resource Officer or contract with local police for services.
  5. the College may hire a private security firm that has certified and appropriately credentialed security officers on staff who carry weapons.

It was recommended the colleges effect change by working on legislation by petitioning their local representatives.

5. "Next Big Risk" (Joe DesPlaines) – J. DesPlaines presented the group with DMI's forecast of the most likely risks for Risk Managers to evaluate, plan, and put into action necessary risk mitigation efforts. The risks identified were: Cyber Attacks, Severe Weather, Campus Security/Violence on Campus/Active Threat, Contagious Illness and the Aging Workforce/Succession Planning.
6. Cyber Security Forum 2018 Summary (Joe DesPlaines) J. DesPlaines advised the group on the success of the July 24<sup>th</sup> Cyber Security Forum. It was well attended and the information eye-opening. It was suggested the July 2019, Cyber Security Workshop and Risk Mangers meeting be held back to back. The one-day gap (for EHS/CS meeting), minimized the number of Risks Managers who would have attended this year's Cyber Security Workshop.
7. "Situational Awareness" (Joe DesPlaines) – J. DesPlaines unveiled his Situational Awareness training presentation to the group. He indicated this valuable training media is being made available to the colleges. They just need to let him know and DMI will customize the slides with the school's logo and colors. The presentation takes roughly 15 minutes and presenter notes are provided.
8. Slip-Trip-Fall Data (Anne Romaine) – S. Stoeger-Moore provided a recap of the given information from Ms. Romaine to the EHS / CS meeting attendees. He quoted a few noteworthy statistics, such as: Average claim cost - \$9,611; 193 incident only/\$0 impact; 46 indemnity (lost wages) claims with payments amounting to \$1,723,287; 180 medical claim only – payments of \$448,854. Slips, Trips, and Falls remains as the Colleges' #1 cause of loss. Prevention techniques were discussed. It was recommended proper footwear be worn for conditions; mindfulness to surroundings and paying attention to what one is doing were given. Being mindful of situations and activities and mitigating loss risks can go a long way toward bringing the number of claims down. United Heartland's "Walksafe Campaign" was discussed and the campaign website provided (<http://www.unitedheartland.biz/walksafe/>). This "free" resource is available to all WI Technical College members. S. Stoeger-Moore recommended the colleges document activities and efforts taken that mitigate risks (like salting sidewalks). A. Jennings (NWTC) told of one such mitigation

effort through the Colleges' purchase of Yaktrax Traction Cleats for outside workers during the winter season.

9. United Heartland Service Agreement (Anne Romaine/Steven Stoeger-Moore) - S. Stoeger-Moore went through UH's Service Plan and indicated Anne Romaine would be acting on T. Greene's behalf (during his absence) to provide campus audits to WTC, MSTC, WCTC, and NTC during the period of September through October 2018.
10. United Heartland and CCMSI Quarterly Claims Reports – were placed in e-packets for College review.
11. [URMIA National Conference](#) – Salt Lake City, UT - September 29 – October 3, 2018 – S. Stoeger-Moore advised he was nominated for and accepted a position on URMIA's executive committee. Then he mentioned URMIA's 50th Anniversary National Conference (2019) to be held in Boston, MA. If anyone is interested in going to this year's program, registration and information can be found at [www.urmia.org](http://www.urmia.org).
12. Worker Comp – Out of State Resident Coverage – S. Stoeger-Moore discussed out-of-state workers comp. coverage issues that seem to be causing confusion with College members. S. Stoeger-Moore said: If a college employee lives and works in Wisconsin, the employee is covered by the Wisconsin Workers Compensation program. If an employee lives in Wisconsin and works outside of Wisconsin (more than 30 days), the employee is covered by the Wisconsin Workers Compensation program and/or they can claim benefits from the other state. If an employee lives and works outside of the state of Wisconsin, the college must obtain coverage through a properly licensed carrier. DMI is licensed only in the state of Wisconsin and cannot provide coverage for out of state resident employees. Arthur J Gallagher can and has (when advised) been able to provide the colleges out-of-state resident employees workers comp coverage through national carriers who have licenses in multiple states. Because of the confusion in understanding the coverage lines, DMI is looking at providing the colleges with an option. DMI may enter into an agreement with United Heartland to provide Worker Comp coverage out-of-state technical college employees. United Heartland is a licensed provider servicing all states (except California, Hawaii, and the monopolistic states of ND, OH, WY, and WA) for worker comp coverage. United Heartland staff will administer claims as they do currently for WI worker comp claims. To the Colleges, the underwriting process, program administration, and claims handling will be exactly the same (seamless) as the DMI Wisconsin Worker Comp coverage. The Colleges may choose to purchase worker comp. insurance for out-of-state resident and working employee's through the to be announced DMI program or by utilizing the recently established "Trust" option.
13. Round Table – No issues were brought forward.
14. Meeting Adjourned

Respectfully Submitted by

Suzette Harrell  
DMI Administrative Assistant