



Office of the President

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DATE: March 3, 2015

TO: NMSU Employees

FROM: Garrey Carruthers, President

A handwritten signature in blue ink, appearing to read 'Garrey Carruthers', written over a horizontal line.

SUBJECT: Insurance Claims

Insurance premiums represent a significant expense to NMSU, and it is important that there is a clearly identified process for claims. The Central Purchasing and Materials Management Office (CPO) is assigned the responsibility for insurance control and management for NMSU, and the state of New Mexico Risk Management Division (RMD) presently carries the general liability, vehicle liability, medical malpractice and physical damage insurances. The CPO is responsible for processing insurance policies, claims, and insurance clarifications for general and fleet liability through the RMD (Business Practices Manual 4.00.20 Insurance Administration).

In addition, NMSU has established a Loss Control Committee with two co-coordinators—Katrina D. Doolittle, Ph.D., Executive Director for Environmental Health & Safety, Facilities and Services, and Johnny Carrillo, Fire Chief, NMSU Fire Department, Facilities and Services. This committee administers the Loss Prevention and Control Plan (LPCP) that may be found here:

http://safety.nmsu.edu/programs/injury_losscontrol/2014_0429NMSULossPCP.pdf.

The purpose of the LPCP is to provide a safe and healthy environment for the University community and reduce the number, severity and potential costs of injuries, illnesses, property damage and liability. All departments/divisions/units within the University are covered by this plan, and the goal is to be in compliance with the New Mexico Administrative Code 1.6.4 rule for the prevention and control of insurable losses. The plan calls for procedures to be developed for loss investigation.

It is vital that NMSU personnel act promptly to ensure that any potential loss is thoroughly documented. When a property loss event occurs, Environmental Health and Safety, the Fire Department, Facility Operations, and/or the Police Department are promptly notified and the immediate situation is addressed. Where NMSU can improve is with documenting the loss.

CPO, Environmental Health and Safety, the Fire Department, Facility Operations, and the Police Department have established a quick reaction team that will help with documenting any property loss and assist with preparing the documentation required for prompt reimbursement. After the initial report of an event such as a fire, flood, or theft, departments should conduct a detailed inventory and notify CPO within 24 hours of any recognized loss so the preliminary documentation can be completed.

A property loss report is different from the event itself and an example will help illustrate this. A steam pipe rupture or a small lab fire would typically be reported to Facilities Operations or the Fire Department immediately, but the event may or may not be accompanied by damaged equipment in the room or

adjacent to it. A break-in should be reported to the NMSU PD immediately, but missing items may or may not be discovered later. The quick reaction team will prepare documentation to validate these losses and to protect NMSU's claim. We recognize that some losses may not become apparent until after the 24-hour period has expired and these situations will be addressed as they arise, but to ensure prompt filing of the claim, the goal is to have the losses documented within 24 hours after the event.

NMSU has experienced several losses recently where it took an excessive amount of time to document damaged property after the event, and this causes a number of problems with claims management. Please note that failure to notify in a timely manner may result in a denial of the claim and with the department being financially responsible for the loss.

Also, experience with recent losses points out that a reminder is in order about personal items. Many people bring mementoes, books, paintings and other items on campus to personalize their office. Most of these keepsakes have sentimental meaning, and some have very real intrinsic value. Everyone should be aware that the insurance through the RMD will not cover any of these items in the event of catastrophic fire or flood, and it is recommended that you first confirm that your personal insurance will be responsible before you bring these items to campus.

This is the contact information for the departments involved in documenting losses:

Central Purchasing & Materials Management: (575) 646-2916

NMSU Fire Department non-emergency: (575) 646-2519

NMSU Police Department non-emergency: (575) 646-3311

NMSU Facilities Services: (575) 646-7114

Thank you for help in this matter. You may direct any questions to Katrina Doolittle, Johnny Carrillo, or Renette Apodaca.