SISC
Self-Insured Schools of California
Schools Helping Schools

July 1, 2026

TO: District Superintendents
SISC Member Districts

FROM: Ty Taylor
Executive Director, Property & Liability

SUBJECT: 2026-2027 Coverage Summary

This correspondence verifies that the 2026-2027 Memorandum of Coverage (MOC) documents for your auto/bus, liability, and property risks are in force. Please consult the applicable coverage document to fully understand the nature and limitations of the coverage afforded. Coverage documents and "generic" certificates of insurance can be obtained from the SISC website at http://sisc.kern.org/pl/

Please note that in this year's summary we have added a footnote to identify MOC or policy changes and clarifications for the 2026/2027 term. Should you have any questions regarding the coverage in place for the 2026/2027 term please contact Ty Taylor at 661-636-4601.

AUTOS AND BUSES
MOC NO. SAP 7126 27

Effective July 1, 2026 through July 1, 2027, SISC provides coverage for owned autos, hired autos, borrowed autos, and non-owned autos. Members should refer to the Memorandum of Coverage posted on the SISC website for particulars related to the coverages afforded.

Effective July 1, 2026 through July 1, 2027, SISC provides a $5,000,000 self-insured retention limit over the district's liability deductible. Excess liability coverage is provided to SISC II members in the amount of $50,000,000. The excess liability coverage is provided by the Schools Excess Liability Fund "SELF" in the amount of $50,000,000 above the $5,000,000 SISC provides. The total auto liability coverage limit for our members equals $55,000,000.[i]

A standard $5,000 deductible is applicable to collision and comprehensive claims for buses. The liability deductible for auto bodily injury and auto property damage claims is $5,000 for both buses and "other vehicles." The deductible for collision and comprehensive losses will be in the amount of $2,500 for other vehicles. A deductible per loss exposure will be applied not to exceed a maximum of three deductibles per accident with respect to this line of coverage only.

BOILER AND MACHINERY
POLICY NO. FBP2253749

The Boiler & Machinery policy is underwritten by Hartford Steam Boiler Insurance Company for the period of July 1, 2026 through July 1, 2027, subject to the policy's exclusions, definitions, conditions, and other limitations. Coverage is provided on a comprehensive basis with a limit of $35,000,000, subject to the $25,000 deductible feature, and covers boilers and various equipment and machinery on a replacement

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cost basis. Please note the limit has been increased from $30,000,000 to $35,000,000 with the July 1, 2026 effective date. A $25,000 deductible is again applicable for the policy term. Each member district will be responsible for the total amount of the deductible for the July 1, 2026, through July 1, 2027, term. Please note that there is also a deductible exception endorsement in the boiler and machinery policy that makes the deductible for loss to all computer hardware, software and data restoration only $10,000.

COMPREHENSIVE CRIME
POLICY NO. 06-123-34-71

The Comprehensive Crime policy is underwritten by National Union Fire Insurance Company (subject to the policy's exclusions, definitions, conditions and other limitations) coverage is effective July 1, 2026 through July 1, 2027, and provides coverage for inside crime, outside crime, depositor's forgery, employee dishonesty and credit card forgery. Coverage is afforded in the amount of $250,000 per occurrence along with the application of a $7,500 deductible for which each member district will be fully responsible for on any given claim.

CONCUSSION INSURANCE
POLICY NO. SR2014CA-P-054180-004

Coverage is provided to our member districts whose enrollment includes interscholastic sports for grades nine through twelve. This program has effective dates of August 1, 2026 through August 1, 2027, and is being underwritten by Mutual of Omaha Insurance Company. Coverage is triggered with the diagnosis of a concussion injury resulting from participation in a game or practice involving an interscholastic sport. The benefit is for an overall maximum medical expense up to $25,000. All claims originate with SISC staff and will be coordinated and processed through the SISC Student Insurance Program. Questions regarding the coverage afforded and the processing of claims should be directed to Elsa Lara, Claims Examiner, at 661-636-4736 or by e-mail at ellara@siscschools.org

CYBER LIABILITYCOVERAGE
POLICY NO. G75607283001

SISC has partnered with the Chubb Insurance Company to provide Cyber Liability Coverage to our member districts. Coverage is July 1, 2026 through July 1, 2027. The annual aggregate policy limit per member district is in the amount of $50,000 effective July 1, 2026. A $10,000 deductible applies to the Cyber Liability coverage for which each member district will be fully responsible for on any given claim. Questions regarding this coverage can be directed to Ty Taylor, Executive Director, at 661-636-4601 tytaylor@siscschools.org.

If your school district is interested in Higher limits for Cyber Liability Coverage, please contact Ranee Findley in Insurica at 661-316-5108 Ranee.Findley@INSURICA.com

LIABILITY COVERAGE
MOC NO. SLP 7126 27

Effective July 1, 2026 through July 1, 2027, SISC provides a $5,000,000 self-insured retention limit over the district's liability deductible. Excess liability coverage is provided to SISC II members in the amount of $50,000,000. The excess liability coverage is provided by the Schools Excess Liability Fund "SELF" in the amount of $50,000,000 above the $5,000,000 SISC provides. The total school liability coverage limit for our members equals $55,000,000.[ii]

A $5,000 deductible is applicable per claimant (unless the district is eligible for and has selected a higher general liability deductible). A $25,000 deductible will be applicable per claimant for claims and/or suits arising from **sexual misconduct** for those member districts with an ADA of less than 4,000 students. A $50,000 deductible will be applied to **sexual misconduct** claims or suits for member districts with an ADA at or greater than 4,000 students.

Effective July 1, 2025, for members with an ADA below 4,000, a $25,000 per claimant deductible will apply to claims and/or suits arising out of the use of **bounce houses, inflatables, or rebounding devices** (except in the special education setting.) For members with an ADA of 4,000 or more, a $50,000 per claimant deductible will apply.

The MOC does not cover employees who willfully or intentionally participate in misconduct. Although not required to do so, SISC may exercise its discretion to extend a defense to alleged offenders if its investigation determines the allegations are likely without merit; however, it may not indemnify them if they are held liable for willful or intentional misconduct, as to do so is barred by law. Similarly, SISC will defend but not indemnify districts for wrongful termination, retaliation, and other alleged violations of law that result from intentional administrative actions.

Coverage generally is afforded for claims or suits arising from premises, operations, professional, products, contractual liability, errors and omissions and employment practices liability, subject to the exclusions, definitions, limitations and conditions found in the MOC.

Coverage for claims or suits involving bodily injury, property damage, errors and omissions, personal injury, employment practices, employee benefit wrongful acts and liability that our members are required to insure against under Education Code sections 35208 and 72507 or Government Code sections 989 and 990 are written on an **occurrence basis.**[iii]

Coverage for claims or suits involving sexual misconduct are written on a **"claims made" basis**.[iv]

PROPERTY COVERAGE
SPP 7126 27

Effective July 1, 2026 through July 1, 2027, SISC provides coverage for the district's interest in covered property. The coverage applies to all property of the insured including both real and personal property and including personal property of others for which the insured is liable (reporting requirements and conditions apply). Excess coverage is provided by commercial excess insurers above $250,000, with a combined total of $250,000,000.

The standard deductible for a property loss is $5,000. Districts with buildings having an aggregate value in excess of $100,000,000 are eligible to request a higher deductible option.

SISC does provide flood coverage under the SISC Property MOC and our excess insurance policies. The annual aggregate limit for the flood coverage is $10,000,000. Please note that the flood coverage limit is an aggregate limit that applies to the entire SISC risk pool. Each individual district does not have $10,000,000 in flood coverage. The Property MOC covers all risk of direct physical loss or damage, subject to the exclusions, definitions, conditions and other limitations set forth in the policy. In general, a deductible of $5,000 applies to all losses. Please note that some districts have elected to take higher deductible amounts. Members should refer to their own individual MOC's.

Certain properties owned by your district or in your district's control are subject to sub-limits. A listing of those sub-limits can be found in Section VIII of the Property MOC entitled "Limits of Liability." In addition, there are particular kinds of property that are simply not covered under the MOC. These properties can be found under Section II of the MOC entitled "Interest and Property Not Covered."

Building and contents are insured for replacement cost; however, to recover replacement cost on a loss requires proof of actual replacement. Some property is valued at actual cash value; check the MOC for details on valuation.

SCHOOL CONNECTED ORGANIZATIONS

Liability coverage for School Connected Organizations can now be purchased by directly contacting Walter Mortensen Insurance/Insurica. SISC has collaborated with USLI Insurance to provide this coverage to our membership. Questions regarding how your booster club or foundation can apply for this coverage should be directed to Ranee Findley of Insurica at 661-316-5108 or via an e-mail sent to: Ranee.Findley@INSURICA.com

SPECIAL EDUCATION VOLUNTARY COVERAGE PROGRAM

SISC affords coverage to our member districts under the Special Education Voluntary Coverage Program (SEVCP) for the reimbursement of fees and costs associated with the defense of Due Process Complaints before the Office of Administrative Hearings. This coverage pays up to $200,000 (in the aggregate) per year to each enrolled member district with an ADA of 4,000 or above and $100,000 (in the aggregate) per year to each enrolled member district with an ADA under 4,000. Should your district wish to enroll in this voluntary coverage program please contact Pamela Cerda, Administrative Secretary at 661-636-4495.

STUDENT ACCIDENT COVERAGE

The Student Accident Coverage Program is provided by SISC and found under Endorsement No. 2 of the School Liability Policy MOC. It is subject to all applicable terms, definitions, conditions, limitations, and exclusions, provides coverage on a no-fault basis for injuries sustained by enrolled students as a result of an accident occurring at school and/or during school-sponsored activities including regular classes, class trips, summer school, and recreation. Coverage is included for athletic injury, **except tackle football**, all while students are traveling in school-owned or operated transportation.

Student Accident Coverage is secondary to any valid and collectible health insurance available to the student, has no deductible, and provides eligible medical benefits up to $2,500 per accident for usual and reasonable expenses. Treatment must generally begin within thirty (30) days of the accident and covered services must be incurred within fifty-two (52) weeks, or one year, from the date of injury.

Districts interested in purchasing "supplemental" student accident coverage for their enrolled students with coverage limits in excess of the $2,500 SISC limit, should contact Ranee Findley of Insurica at (661) 316-5108 or via an email sent to: Ranee.Findley@INSURICA.com

TACKLE FOOTBALL COVERAGE

This coverage **can be purchased by parents or guardians** of students who elect to participate in tackle football. The program is completely self-funded and self-administered by SISC staff. The policy will pay up to $15,000 for covered medical expenses due to accidental bodily injury sustained in any one accident.

The covered treatment, care, and services must be rendered within fifty-two (52) weeks of the accident. This is a low-cost voluntary coverage available to parents and/or guardians seeking to provide coverage for the student athlete either as their primary or secondary insurance. **In the event you have questions concerning <u>purchase and enrollment</u>, please contact Elsa Lara, Claims Examiner at 661-636-4736.**

TERRORISM COVERAGE
POLICY NO. WTS4000200131-05

SISC affords coverage for liability a district may incur related to terrorism and sabotage through the Hamilton Managing General Agency effective December 31, 2025 through December 31, 2026, in the amount of $2,000,000 for any one occurrence and in the aggregate. The coverage is subject to a $25,000 deductible per claim to be borne by the member district.

Should you have any further questions, please contact the SISC office by calling 661-636-4495.

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[i] In prior years, in both our Auto and Liability Declarations of coverage, we identified the SISC Self Retention at 2,000,000 in coverage with 3,000,000 of coverage provided through re-insurance. After consulting with coverage counsel, it was determined that the proper way to identify this coverage is simply 5,000,000 provided via SISC. The 3,000,000 in reinsurance purchased by SISC for the benefit of our members does not change the coverage amount provided to our members.

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[iii] Prior MOC did not provide specific information as to which lines of coverage were provided on an “occurrence” basis versus a “claims made basis”

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