



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY  
EXECUTIVE COMMITTEE TELECONFERENCE MINUTES**

**June 2, 2016**

**MEMBERS PRESENT**

James Crawford, President, Campbell Union School District  
Nelly Yang, Vice President, Evergreen School District  
Mark Allgire, Treasurer, Santa Clara Unified School District  
Barbara Coats, Secretary, Santa Clara County Office of Education  
Phuong Le, Member at Large, Berryessa Union School District

**MEMBERS ABSENT**

None

**GUESTS & CONSULTANTS**

Matt Gowan, Alliant Insurance Services  
Joan Crossley, Alliant Insurance Services

**A. CALL TO ORDER**

The meeting was called to order at 1:33 p.m.

**B. ROLL CALL**

The above-mentioned members were present constituting a quorum.

**C. APPROVAL OF AGENDA**

**A motion was made to approve the agenda.**

<b>MOTION:</b> Barbara Coats	<b>SECOND:</b> Phuong Le	<b>MOTION CARRIED</b>
<b>AYES:</b> 5	<b>NOES:</b> 0	<b>ABSTAIN:</b> 0
		<b>ABSENT:</b> 0

**AYES:** Crawford, Yang, Allgire, Coats, Le

**NAYS:** None

**ABSENT:** None

**D. PUBLIC COMMENT**

There were no comments from the public.

**E. FINANCIAL**

**1. Crime Insurance Options**

Mr. Matt Gowan said that due to a recent large crime loss for a public entity, staff obtained a Crime insurance quote with higher limits. The JPA currently has \$1 million limit for Crime; limits of \$3 million, \$5 million and \$10 million are also available.

*Approved 6/16/16*



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Ms. Barbara Coats asked if coverage includes employees who steal property such as IT equipment; staff said that is covered under employee theft provision of the Crime insurance. Mr. Mark Allgire commented there is also an exposure in the construction area. After discussion, the Executive Committee decided to increase the Crime insurance limit to \$3 million. The Executive Committee asked staff to find out the process for obtaining Crime insurance quotes for members who may want a higher limit.

**A motion was made to increase the Crime insurance limit to \$3 million effective 7/1/16.**

**MOTION: Mark Allgire                      SECOND: Phuong Le                      MOTION CARRIED**

**AYES: 5                      NOES: 0                      ABSTAIN: 0                      ABSENT: 0**

**AYES:** Crawford, Yang, Allgire, Coats, Le

**NAYS:** None

**ABSENT:** None

**2.            Cyber Liability Enhancement Option**

Ms. Joan Crossley said staff obtained a quote for the Cyber Liability Enhancement option. The option has two parts; part one must be purchased in order to obtain part two. Currently the JPA members have \$1 million limit for privacy notification costs. This limit erodes the \$2 million Cyber Liability annual aggregate limit. Part one removes this dollar limit and changes it to a notified individual limit; you can choose to notify up to 50,000 individuals, 100,000 individuals, etc. per the quote in the agenda. Part one is outside the policy dollar limits so the annual aggregate is no longer eroded by privacy notification costs. Part two provides Excess Cyber Liability limits from \$1 million to \$5 million.

Mr. Gowan said the privacy notification costs can add up; one of his school district clients had to notify every employee and retiree of a privacy breach and set up credit monitoring for those employees and retirees.

The Executive Committee said they will need to further review the cyber exposure for the member districts. Santa Clara County Office of Education potentially has the largest exposure as they handle the financial systems for the school districts. Mr. Gowan said the cyber security auditor is attending the June meeting and perhaps can provide some guidance on the exposure. The Executive Committee will table this item and work with staff to research exposures and the potential need for additional cyber coverage.

**F.    COMMENTS FOR THE GOOD OF THE ORDER**

None

**ADJOURNMENT**

The meeting was adjourned at 2:14 p.m.

*Approved 6/16/16*



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Reviewed and Approved by: Barbara J. Coats

Date: 6/16/16