

ERRORS & OMISSIONS

SCHOOL BOARD LEGAL LIABILITY



Member-Focused

All Errors & Omissions claims are handled in-house by NJSIG, ensuring a member-focused, proactive approach and greater transparency throughout the claims process.

No one takes care of our members like we do!

Claims-Made

The E&O policy only covers claims first made or charges filed against the insured and reported to NJSIG during the **same policy period**, and excludes claims arising from circumstances known or reasonably known to the member before policy inception and not disclosed to NJSIG.

Must report if:

- Legal action is threatened
- A lawyer is mentioned
- Intent to file a claim
- Formal written requests for mediation
- Served due process complaints
- Appeals served to Commissioner of Education

Coverage A

- Covers claims involving **alleged wrongful acts**, including employment practices, such as:
 - Wrongful termination
 - Discrimination
 - Hostile work environment
 - Whistleblower retaliation
 - Sexual harassment
- May cover HIB-related student discrimination.
- Deductible applies to defense and settlement.
- Member consent required for any settlement.

Coverage B / IEP

- Claim is defined as **a written legal notice or a written demand for money or services**.
- Covers defense costs and prevailing attorney's fees from defined legal actions, including:
 - Due Process/IEP claims
 - Appeals to the Commissioner of Education
 - Department of Civil Rights complaints
 - EEOC complaints
- Deductible applies to all Coverage B claims.

Reporting

Notify your broker first when reporting a claim.

- The broker should then:
 - Complete the ACORD form.
 - Gather all relevant documentation.
 - Submit via email to FROI@njsig.org.
- NJSIG will then receive and process the claim.

Contact

Unsure about a claim? Contact your broker.

For all other inquires:

Anthony Fernandez

E&O Claims Supervisor

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Best Practices

Report promptly: Always report incidents/issues in a timely manner - even for record-only - to satisfy notice requirements.

Clear communication: Building administrators should forward serious reports to business administrators without delay.

Document everything: Ensure all employment-related actions and HIB matters are thoroughly documented. Keep all relevant records well-organized and properly maintained, even if legal action seems unlikely.

NEPHA Hotline 201-623-1223: Use the hotline for Human Resources and HIB guidance and support; deductible may be waived if written advice is followed and a claim results.