

VIII-4 Blanket Property Coverage on Vacant Buildings

NORTHWESTERN STATE UNIVERSITY

Blanket Property Coverage on Vacant Buildings

- I. Purpose and Scope:** This procedure outlines the method of obtaining a vacancy permit from the Office of Risk Management (ORM).
- II. Reference:** Office of Risk Management Insurance Information Notice 92-1
- III. Responsible Area:** University Affairs
- IV. Procedure:**

Effective July 1, 1991, coverage on vacant buildings will be subject to the following:

If the building where loss or damage occurs has been vacant for more than sixty (60) consecutive days before that loss or damage and a vacancy permit has not been issued by the Loss Prevention Section of ORM, the amount of the loss will be determined using the actual cash value basis (with deduction for depreciation and pre-existing damage) as of the time of the loss or damage.

If the building where loss or damage occurs has been vacant for more than sixty (60) consecutive days before that loss or damage and a vacancy permit has been issued by the Loss Prevention Section of ORM, the amount of the loss will be determined using the replacement cost value basis (without deduction for depreciation) as of the time of the loss or damage.

Applicable Vice President

1. Notify the Environmental Health & Safety Officer in writing when a building is vacant. ORM considers a building vacant when it does not contain enough business personal property to conduct customary operations.

Buildings under construction/renovation are not considered vacant.

Note: The Environmental Health & Safety Officer must be informed immediately upon the University's knowledge of a building vacancy (preferably prior to the vacancy) so that the Loss Prevention Section of ORM can be notified within two (2) weeks of the University's knowledge of a building vacancy (preferably prior to the vacancy). This will allow the Loss Prevention Section sufficient time to inspect the vacant premises, advise the University whether or not additional security/precautions need to be taken, and issue the vacancy permit.

Environmental Health & Safety Officer

2. Notify the Loss Prevention Section of ORM in writing about the University's knowledge of a building vacancy.

Office of Risk Management

3. Inspect the vacant premises, advise the University whether or not additional security/precautions need to be taken, and issue the vacancy permit.