

PROPERTY INSURANCE PROGRAM

WHAT IS FPMA?

The Fraternal Property Management Association was created to provide educational assistance to fraternity volunteers in an effort to strengthen their ability to manage the chapter properties of their fraternal organization. In addition, FPMA seeks to provide a comprehensive and competitively priced property insurance program to protect the physical plants that house the undergraduate members.

FPMA Informational Brochure (pdf format)

FPMA participant applications may be completed utilizing the automated form found below and returned via email to fraternalinsuranceapp@holmesmurphy.com or by facsimile to 1-800-328-0522.

Fraternal Property Management Association Application (MS Word format)

WHAT ARE THE BENEFITS OF PARTICIPATION IN FPMA?


- A semiannual FPMA newsletter that focuses on risk management and issues facing property managers and their fraternal organizations.
- A property insurance program that provides in most cases, broader insurance coverage for less premium
- A biennial inspection that provides recommendations for physical plant improvements, addressing life safety and property conditions, along with completion of a replacement cost valuation.
- Security of knowing coverage will still be available at an affordable rate even after a significant loss

WHAT WILL THE INSURANCE COVERAGE OF FPMA INCLUDE FOR PARTICIPANTS?

- Agreed Amount Coverage
 - Provides for removal of coinsurance clause ensuring the chapter will not be penalized for unintentional undervaluation of a chapter property. A chapter must still ensure that the values reported to the insurance carrier are correct, the policy will only pay up to the values reported.
- Replacement Cost Coverage
 - Provides for replacement of building and contents owned by chapter or alumni association/housing corporation. If the physical plant is damaged or completely destroyed, up to the limits of coverage on the policy.
 - If the property is valued at the greater of current 100% Boeckh Valuation System (BVS), or approved replacement cost appraisal valuation on file, or \$110 per square foot Guaranteed Replacement Cost Coverage, (GRC) applies. GRC will pay replacement cost of the structure, subject to valuation provision in the policy, regardless of the scheduled building limit shown on the policy.

- However, policy sub limits remain unchanged. All chapters and housing corporations should at least annually assess the replacement cost of their premises to make sure the location is properly insured.
- Business (Loss of Rents) Income
 - Provides for the payment of rental income to the house corporation that would otherwise be lost if the house can no longer be occupied due to a fire or to other extensive damage that prohibits occupancy.
- Extra Expense
 - Provides for the payment of additional expenses a chapter or corporation might incur if a fire or extensive property damage requires extraordinary expenditures.
- Equipment Breakdown
 - Provides protection for losses suffered as a result of accidental damage or mechanical or electrical system failure in a chapter house from boilers, heating & cooling systems, hot water supply tanks, compressors, pumps transformers, circuit breakers, electrical panels, and equipment breakdown.
- Law and Ordinance Coverage
 - Provides the additional funds necessary to bring a damaged structure up to current building and safety code requirements following a fire or other extensive damage to a chapter facility. Standard property insurance policies require the insurance company to return the property to its original state and likely will not provide the additional funds needed to bring the property in compliance with current building code requirements.

Business Personal Property Replacement Cost Inventory 

Business Income - Extra Expense Worksheet 

WHO WOULD AN INTERESTED PARTICIPANT CONTACT?

Holmes Murphy Fraternal Practice

10707 Pacific Street, Suite 200
 Omaha, NE 68114
 p. 1-800-736-4327
 f. 1-800-328-0522

New Business and Quote Estimate

Marketing Department
 1-800-736-4327 ext. 4191
fraternalinsuranceapp@holmesmurphy.com

Facility Inspection Coordination

Inspection Manager
 1-800-736-4327 ext. 4188
inspections@holmesmurphy.com

For more information concerning interest of participation or questions on existing facilities regarding the Fraternal Property Management Association, please contact Holmes Murphy at 1-800-73 6-4327.

ADDITIONAL AVAILABLE DISCOUNTS

In a further effort to reward the facilities that differentiate themselves from their peers by taking additional steps to reduce their risk, we are excited to announce property insurance discount opportunities effective April 1, 2004.

* Disclaimer: specific discounts are dependent on program participation of each chapter facility and its supportive and governing entity (i.e. National Fraternity).

1. 10% discount for employing a Professional Property Management Company

In order to qualify for this discount, a facility must employ a professional property manager who provides a minimum level of service. A brief overview of the minimum service standards is provided below:

- Complete and annually update a Facility Audit
- Manage, organize and pay general operating expenses relating to the facility management
- Provide and secure housing contracts, including security deposits, from the undergraduate tenants
- Authorize and pay expenses incurred to rectify immediate maintenance needs
- Secure and monitor the facility during extended school breaks
- Collect rent and all deposits
- Complete an initial walk through and check out process with each tenant. Any tenant related damage will then be deducted from the tenant security deposit
- Development of an annual operating budget
- Proof of liability insurance for property manager

A facility wishing to apply for this discount needs to submit the following documentation:

- A copy of the current year's contract with the respective property manager outlining their management responsibilities
- Copy of the housing agreement utilized by the property manager
- A copy of the most recently completed Facility Audit

2. 5 % discount for the completion of a Strategic Assessment with Pennington & Company

A three prong educational process developed for volunteer housing corporations by [Pennington & Company](#), the leader in fraternity and sorority fundraising.

The process utilizes extensive organizational research, a written survey of the housing corporation board members, discussions with local volunteers and campus officials and a review of the most current insurance inspection on file. Its intent is to assist the housing corporation become a more effective landlord by teaching them how to operate as a business. The assessment will help them:

- Know what they are supposed to do

- How to do it
- Why they should do it
- Fully understand there are obstacles beyond their control
- Develop long term plans for the future of their facility

The discount provided to a housing corporation that has utilized this tool will be provided for the first policy term, full or partial, and the next full term. The discount provided will not exceed the actual cost of the strategic assessment whether realized in the first partial or proportional in the second full policy term.

A facility wishing to apply for this discount needs to submit A complete copy of the Strategic Assessment completed by Pennington & Company and a brief summary of your organization's plan to adhere to its recommendations.

For information on a Pennington & Company assessment contact:

John Ziegelmeyer
 501 Gateway Drive, Suite A
 Lawrence, Kansas 66409
 (785) 843-1661
johnz@pennington.com

3. 10% Discount for modern, safe facilities.

Qualifying locations have been constructed or had major renovations (i.e. full replacement of electrical and plumbing) after January 1, 1990 and have ONE or more of the following requirements:

- Central Station fire and burglar alarms
- No smoking and candle burning policy incorporated into a Housing Agreement
- Resident advisor or house mother living on site

A facility wishing to apply for this discount needs to submit the following documentation:

- Verification of the construction date for facilities built after 1990
- Complete work orders and scope for electrical and plumbing renovations since 1990
- A copy of the Housing Agreement which contains the smoking and candle burning policy and written statement from a house corporation officer that the agreement is currently utilized
- Written agreement between the Resident Advisor or House Director and the local Housing Corporation outlining daily responsibilities, hours of duty and compensation structure

4. Newly installed Fire Sprinkler System

In an effort to encourage the installation of fire sprinklers in Greek housing through insurance premium reductions, we are pleased to offer an increased initial premium discount upon activation of a newly installed system. If your system meets National Fire Code R13 installation, your facility will qualify for an additional premium discount of:

- 40% discount each policy year

A facility wishing to apply for this discount needs to submit the following documentation:

- Contract invoice outlining the type of fire suppression system installed and areas of coverage
- Contractor's Test Certificates for Interior Sprinkler
- Documentation that the sprinkler system has been tested and approved by the local authority having jurisdiction
- A copy of the yearly service contract with a licensed and insured fire sprinkler contractor
- Completion of the Willis sprinkler discount form

5. PipeBurst Pro/Total Leak Concepts System

In an effort to prevent water damage, especially during break periods, Willis has partnered with PipeBurst Pro and RSUI Indemnity to provide a 5% property premium discount annually for any insured who has this system installed in their chapter house facility.

- 5% discount each policy year

If you have questions please feel free to contact your Client Manager at Holmes Murphy or Rob Meraz, Client Advocate, rmeraz@holmesmurphy.com or 800.736.4327, Extension 4189 to answer your questions and refer you to the appropriate contact within Pipe Burst Pro and Total Leak Concepts. You can also find more information by clicking on the link below.

PipeBurst Pro Informational Flyer (pdf format)

To learn more about the discounts offered with the FPMA Program contact:

Barb Witt, Inspection Coordinator
1-800-736-4327, extension 4188
bwitt@holmesmurphy.com

Additional information concerning FPMA is contained within our informational brochure and content provided below.

FPMA Informational Brochure (pdf format)