Sacramento Public Library Authority

February 24, 2011 **Agenda Item 20.0: Claims Administration Policy Revision**

TO: **Sacramento Public Library Authority Board Members**

FROM: **Janeth D. San Pedro, Authority Counsel**

RE: **Claims Administration Policy Revision**

RECOMMENDED ACTION(S):

Adopt Resolution 11-19, A Resolution Approving the Revised Sacramento Public Library Authority Claims Administration Policy.

BACKGROUND

The Sacramento Public Library Authority Claims Administration Policy was adopted on October 27, 2005. The policy authorized the Director of Finance to administer claims filed against the Library by third parties or Library employees on behalf of the Authority.

With the creation of a Deputy Library Director position which now oversees and manages the Library's administrative and support services, including Finance, the policy is being revised to reflect the Library's current organizational structure by substituting the Deputy Library Director as the individual who will be responsible for administering claims on behalf of the Authority.

POLICY ISSUES

By law, the Authority Board may authorize an employee of the Library to administer claims on behalf of the Authority and to approve payment of claims up to $50,000. The revised policy authorizes the Deputy Library Director to administer claims and the Library Director to approve payment of claims up to $25,000, with the concurrence of Authority Counsel, so long as funds are available in the budget. Any payment in excess of $25,000, or any payment of $25,000 or less that requires a budget amendment, would require approval by the Authority Board.

ATTACHMENTS

Resolution #11-19, A Resolution Approving the Revised Sacramento Public Library Authority Claims Administration Policy

Exhibit A: Sacramento Public Library Authority Claims Administration Policy (Revised)

Sacramento Public Library Authority

RESOLUTION NO. 11-19

Adopted by the Governing Board of the Sacramento Public Library Authority on the date of:

February 24, 2011

A RESOLUTION APPROVING THE REVISED SACRAMENTO PUBLIC LIBRARY AUTHORITY CLAIMS ADMINISTRATION POLICY

BE IT HEREBY RESOLVED BY THE GOVERNING BOARD OF THE SACRAMENTO PUBLIC LIBRARY AUTHORITY AS FOLLOWS:

1. The revised Sacramento Public Library Authority Claims Administration Policy in Exhibit A dated February 24, 2011 is adopted.

2. The Library Director is authorized to establish procedures to implement the Sacramento Public Library Authority Claims Administration Policy.

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Sandy Sheedy, Chair

ATTEST:

Rivkah K. Sass, Secretary

By:_____
Brenda Haggard, Assistant Secretary

ATTACHMENTS:

Exhibit A: Sacramento Public Library Authority Claims Administration Policy (Revised)

Sacramento Public Library Authority

Sacramento Public Library Authority
Claims Administration Policy (Revised February 24, 2011)

Purpose:

The purpose of this policy is to set guidelines for administration and resolution of claims filed against the Library by third parties or Library employees.

Background:

The Sacramento Public Library Authority is insured as follows:

Type of Coverage	Limit of Liability	Deductible/Self Insured Retention
Bodily injury	1,925,000	75,000
Property damage	1,925,000	75,000
Personal injury	1,925,000	75,000
Non-owned and hired auto	1,925,000	1,000
Owned auto	1,925,000	1,000
Public Officials	1,925,000	75,000
Fire damage	1,000,000	75,000
Uninsured motorist	1,000,000	1,000
Employment practices	1,000,000	10,000

The California Government Tort Claims Act (Government Code Sections 900 et seq.) sets forth procedures for presentation of claims to local public entities and action on those claims by the public entities. Government Code Section 935.4 provides that a local public entity, by resolution, may authorize an employee of the local public entity to act on the entity's behalf to reject a claim or to settle a claim up to $50,000.

This policy authorizes the ~~Director of Finance~~ Deputy Library Director to administer claims on behalf of the Authority. This policy authorizes the Library Director to settle claims up to $25,000, so long as funds are available in the budget.

Procedure:

When a claim from a member of the public or an employee is within the purview of the Authority's insurance coverage and it may reasonably exceed the self-insured retention, the ~~Director of Finance~~ Deputy Library Director is responsible to review the claim with the insurance carrier. If the claim is not within the purview of the insurance coverage or it is unlikely to exceed the self-insured retention, the ~~Director of Finance~~ Deputy Library Director shall administer the claim within the Library policy.

The ~~Director of Finance~~ Deputy Library Director, in consultation with the Library Director and Authority Counsel, shall be authorized to ~~reject~~ act on any claim in accordance with the California Government Tort Claims Act. Payments to claimants of $25,000 or less may be approved by the Library Director, with the concurrence of the Authority Counsel, so long as funds are available in the budget. Any payment exceeding $25,000, or any payment of $25,000 or less that requires a budget amendment, shall be subject to approval of the Governing Board in closed session, subject to subsequent public disclosure as required by the Brown Act.

All payments shall be subject to appropriate documentation protecting the Authority from further liability on the claim, approved by Authority Counsel.