

***Phi Kappa Sigma International Fraternity***  
***Insurance Allocation Methodology***  
***Category Information***

**Category: Chapter House Inspection/Loss Control Status**

**Definition**

Chapter House Inspection/Loss Control status reflects whether or not the chapter has completed and responded to (including addressing any identified inspection deficiencies) a certified inspection of the dwelling (house or other physical structure) that accommodates 5 or more members of the chapter living together, regardless of whether it is owned, rented, or leased. Despite inspections only being conducted every 2 years, surcharges/credits will apply during the non-inspection year as well as these inspections affect life-safety issues.

**Element of Risk**

Chapter dwelling's that do not meet certain basic inspection/loss control standards have been shown to be of greater risk than chapter dwelling's that do meet them.

**Surcharge Trigger(s)**

- Chapter dwelling's that have not been through a certified inspection by July 31<sup>st</sup> of the year in question will be surcharged 20% on the following policy year's Chapter Base Rate.
- Chapter dwelling's that have been through a certified inspection by July 31<sup>st</sup> of the year in question but have received a "Poor" rating will be surcharged 20% on the following policy year's Chapter Base Rate.
- Chapter dwelling's that have been through a certified inspection by July 31<sup>st</sup> of the year in question but have not responded to the inspection with a documented action plan with completion dates for addressing all inspection deficiencies will be surcharged 20% on the following policy year's Chapter Base Rate.
- Chapter dwelling's that have been through a certified inspection by July 31<sup>st</sup> of the year in question and have received a "Needs Improvement" rating and have responded to the inspection with a documented action plan with completion dates for addressing all inspection deficiencies will not be surcharged 10% on the following policy year's Chapter Base Rate.
- Chapter dwelling's that have been through a certified inspection by July 31<sup>st</sup> of the year in question and have received a "Good" rating will receive a credit of 10% on the following policy year's Chapter Base Rate.

**Actions to Reduce/Eliminate the Surcharge**

- Ensure a certified inspection is completed on the property no later than July 31<sup>st</sup> of each year and achieve a rating of "Good" upon initial inspection.
- Ensure a certified inspection is completed on the property no later than July 31<sup>st</sup> of each year and achieve a rating of "Needs Improvement" upon initial inspection and respond to the inspection with a documented action plan with completion dates for addressing all inspection deficiencies.
- If a chapter dwelling's inspection comes back with a "Poor" rating, correct the deficiencies and complete a re-inspection of the dwelling no later than July 31<sup>st</sup> of the year in question and achieve a rating of "Good" or, a rating of "Needs Improvement" and respond to the inspection with a documented action plan with completion dates for addressing all inspection deficiencies.