



MARQUETTE UNIVERSITY

Re: Financial Responsibility for claims of Legal Liability

Your request for a certificate of insurance was forwarded to this office. Marquette University is a sizeable organization which must incorporate risk retention and substantial deductibles in a professional risk management and risk finance program to handle the varied and numerous activities of a major University. Marquette University is required to be financially responsible for claims of legal liability that may arise from our activities and/or faculty/employees acting as our agents. This letter is accepted by organizations, schools and governments throughout the country as explanation of our financial ability to fund and handle and pay claims and judgments in lieu of an insurance certificate.

Marquette University is a not-for-profit, Wisconsin Corporation and independent institution of higher learning established in 1881 and conducted under the auspices of the Society of Jesus, with significant financial revenues and assets. As a Wisconsin employer, Marquette is subject to the Wisconsin Workers Compensation Act and provides for benefits under the Act for all of its employees, including faculty, administrators, coaches and student workers. Our liability program and claims management system is designed to fund for claims arising from University activities including academic and athletic programs and related research activities or sponsored affiliations. Marquette reserves its right to self-insure lines of coverage as permitted by applicable laws and finance its legal liabilities in accordance with FASB Standards.

Marquette's risk finance program includes both self-insured and insured exposures. Liability policies contain the levels of self-retention and deductibles in the primary layers that smaller firms may need to insure for the limits usually requested in certificate requests. Marquette University is of a size where we do not need to depend upon first dollar insurance coverage to prove we have the financial resources to meet legal liability claims. In certain situations we back up our financial assets with excess coverage placed with qualified, high rated insurers as part of a professional risk management program. The risk finance program covers total liability exposures well in excess of \$1,000,000/\$2,000,000 limits. We cannot easily abandon our over \$1.5 Billion in property assets to avoid a legal claim or suit and our ability to internally finance and manage claims does not change nor can be cancelled as in the case of those depending on insurance policies as their main or only source for funding of loss. Marquette University has adequate resources to fund limits that may fall under deductibles or self-retained or self-insured programs. We cannot easily go bankrupt or leave town to avoid a legal claim or suit.

All Marquette units and activities are included in the risk management program as part of the larger Marquette University legal entity.

We have ceased routinely forwarding certificates of insurance as they leave a false impression on how primary limits are financed and incorrectly conveys our financial responsibility would stop on some future expiration date. They also create an administrative burden; i.e., evidencing the same primary limits, which usually does not disclose self-insured retention layers, to hundreds of vendors, or for short term affiliation agreements etc. We find that numerous certificates often are requested by the same organization to different Marquette departments/disciplines who may work with the same entity.

Please be assured that any legal exposure, legal liability and contractual indemnification shall not be reduced in any way by existence or non-existence, limitation, amount or type of damages, compensation or benefits payable under Workers Compensation laws or other liability insurance policy conditions. Any claim for injury or damages should be sent to this office for handling by our adjusters.

Hopefully this explanation, our size and longevity of operations since 1881 provides the security you expect from a certificate of insurance, especially in the current environment when many insurers' assets are compromised and less than our own. Please communicate this letter to your corporate insurance/risk management representative and have them call me at 414-288-1552 if there are any questions.

Sincerely,

Charyl J. Burke MS CPCU ARM
Director of Risk Management