STANDARD ADMINISTRATIVE PROCEDURE

09.04.99.M0.01  Tort Settlements in Lieu of Litigation

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Standard Administrative Procedure Statement

This procedure provides guidance in handling tort claims in lieu of litigation when settling is in the best interest of the University, and is permissible under State law as determined by the TAMUS Office of General Counsel.

Reason for SAP

Before entering into any verbal or written commitment with a claimant, this procedure must be completed.

Definitions

A tort claim is any request for monetary reimbursement arising from alleged personal injuries or property damage.

Official procedure

1. GENERAL

Under this procedure, Tort Settlements in lieu of litigation are limited to documented damages. Personal injury claims may not exceed $2,500 and/or property damages may not exceed $1,000. All such settlements must use local funds (accounts in the 200000 to 500000 range or Foundation funds). Tort settlements beyond this amount must be processed through the Texas Attorney General.

2. PROCEDURE
2.1 Upon notification of a claim, the department shall immediately notify the Department of Contract Administration, Insurance Services using the Incident/Injury Report Form (attached). The completed report should be sent by e-mail to insurance@tamu.edu or faxed to (979) 862-7130. Once the Incident Report is received, the Department of Contract Administration, Insurance Services will collect the necessary documentation from the claimant and the University department(s) for submission to the System Office of Risk Management.

2.2 System Risk Management, in conjunction with the System Office of General Counsel, will render a legal opinion regarding compensability of the claim under the Texas Tort Claims Act (Texas Civil Practice and Remedies Code, Chapter 101). System Risk Management will share this opinion with the Department of Contract Administration, Insurance Services prior to communicating approval or denial of the claim to the claimant.

2.2.1 Funding for approved tort settlements will typically be the responsibility of the reporting department(s).

2.2.2 If approval is recommended, the Department of Contract Administration, Insurance Services will obtain approval for payment from the appropriate department head(s), college Dean(s), division Vice President(s), and the Vice President for Finance and Administration prior to submitting the request for payment to Financial Management Operations.

3. TORT CLAIMS UNDER THE STATE OF TEXAS TORT CLAIMS ACT

3.1. The Texas Tort Claims Act (Civil Practice and Remedies Code, Chapter 101) provides that a governmental unit of the State is liable for; (a) property damage, personal injury, or death proximately caused by the negligence of an employee acting within his or her scope of employment if the injury arises from the operation or use of a motor driven vehicle or motor driven equipment; or (b) personal injury and death (but not property damage) caused by the condition or use of the tangible personal property or real property if the governmental unit would, were it a private person, be liable to the claimant.

3.2. The State’s liability under the Texas Tort Claims Act is limited to $250,000 per person with a $500,000 limit for any single occurrence for bodily injury or death regardless of the number of individuals involved. Liability for damage or injury to or destruction of property is limited to $100,000 for any single occurrence.
System Policy 09.04

Forms

Texas A&M Incident/Injury Report Form

Contact Office

Department of Contract Administration, Insurance Services
(979) 845-0099