

## STANDARD ADMINISTRATIVE PROCEDURE

### **09.04.99.M0.01 Tort Settlements in Lieu of Litigation**

*Approved October 28, 1997*

*Revised December 8, 2000*

*Revised July 13, 2005*

*Revised December 4, 2006*

*Supplements [System Policy 09.04](#)*

#### 1. GENERAL

- 1.1. A tort claim is any request for monetary reimbursement arising from alleged personal injuries or property damage.
- 1.2. 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. Tort settlements beyond this amount must be processed through the Texas Attorney General.
- 1.3. 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. All such settlements must use local funds (accounts in the 200000 to 500000 range or Foundation funds). Before entering into any verbal or written commitment with a claimant, this procedure must be completed.

#### 2. PROCEDURE

- 2.1. Upon notification of a claim, the department shall request appropriate documentation to support the validity of the claim. If the validity cannot be reasonably established, the claim should be handled through normal State of Texas Tort Claim Act procedures.
- 2.2. The department requesting settlement shall complete the attached claim form indicating a source of funds. A brief summary of the incident and any other pertinent information must be forwarded through administrative channels to the appropriate division Vice President. Funding for the settlement will normally be the responsibility of the department. If the division Vice President finds the request to be prudent, the request for settlement shall be forwarded to the Associate Vice President and Controller.
- 2.3. The Associate Vice President and Controller shall forward the information to the Office of General Counsel for review of legal sufficiency and compliance with tort claim standards. Upon receipt of the Office of

General Counsel's approval, the request will be forwarded to the Vice President for Finance and Chief Financial Officer for approval.

- 2.4. The Office of the Vice President for Finance and Chief Financial Officer will notify all appropriate University departments of the disposition of the claim. The Associate Vice President and Controller shall prepare an appropriate release form of all related claims as part of the settlement process. The Office of General Counsel will assist in the process as needed. All paperwork will be forwarded to Financial Management Operations Accounts Payable for processing and check distribution. A tort claim under the State of Texas Tort Claims Act may still be filed if the claim is denied through this process.
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.

OFFICE OF RESPONSIBILITY: [Associate Vice President and Controller](#)

[Texas A&M University Tort Claim Form](#)