



# Frequently Asked Questions about Schinnerer and CNA's Risk Mitigation Credit for Surveyors

This FAQ is intended to answer some of the common questions regarding the new policy form's risk mitigation credit (RMC) for surveyors. Our *Guide to the Schinnerer and CNA Risk Mitigation Credit for Surveyors* provides more information on eligibility as well as in-depth information regarding all practice criteria. The guide can be downloaded at [www.PlanetRiskManagement.com/survmc.html](http://www.PlanetRiskManagement.com/survmc.html), and a limited number of printed copies are also available. To obtain a copy, please send an email to [vos.RMeducation@Schinnerer.com](mailto:vos.RMeducation@Schinnerer.com) or call 301/961-9800.

## Eligibility Questions

### 1) Why did you pick these five particular "best practices?"

Schinnerer and CNA looked at data from the most costly surveyor claims and analyzed what risk management practices could have mitigated or prevented those claims. With input from the American Congress on Surveying and Mapping (ACSM), Schinnerer and CNA developed practices that we believe can help prevent and mitigate claims and make claims more defensible.

### 2) Are all firms eligible for the RMC for surveyors?

Very large firms with billings in excess of \$25 million per year are not eligible for the credit. Policies for these firms are typically so customized that across-the-board deductible modifications are not economically sound, and differences in the frequency and severity of claims against these firms dictate that deductibles remain high enough to maintain insurance reserves for larger losses. Additionally, some restrictions are placed on the eligibility of firms with annual billings of more than \$5 million. Policyholders should consult the *Guide to the Schinnerer and CNA Risk Mitigation Credit for Surveyors* for details.

### 3) If I don't satisfy the requirements for the risk mitigation credit, do I lose coverage?

As was the case with the mediation credit, policyholder participation in the RMC is optional, with no underwriting implications or loss of policy coverage for firms that don't participate.

## Criteria Questions

### 4) My client won't sign the contract until well into the project—what do I do?

Firms should keep a record of the arrangements they have made with clients. These can take the form of commitment letters, sometimes referred to as letters of intent. It is also advisable to include a time limit for the authorization contained in a commitment letter. That provides an incentive to negotiate and execute a formal agreement promptly.

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## 5) I can't get insurance certificates from all parties, what do I do?

Like a written professional services agreement, evidence of insurance coverage is an important risk management tool. Often, a discussion with any reluctant parties about how exchanging certificates of insurance is an important risk management tool for all parties can help facilitate an exchange.

## 6) I am uncomfortable using ALTA/ACSM surveys. What other "similar documents" can I use?

There are no other standard documents in the industry similar to those published by ALTA/ACSM. But firms can develop their own documents that convey to the client the standards for their surveying services and what their surveys will entail. This will establish expectations for the services provided and meet the criteria for "similar documents."

## 7) How much compliance documentation for the practice criteria do I need? Are you trying to find loopholes to avoid applying the credit?

The RMC program was developed to encourage use of the practices described in the qualification criteria. While we are by no means looking for loopholes to avoid applying the credit, policyholders should recognize that creation of documentation for actions taken is itself a valuable risk mitigation practice. *A Guide to the Schinnerer and CNA Risk Mitigation Credit for Surveyors* provides more information about what documentation is required for each criterion. The *Surveyors Application for Risk Mitigation Credit*, which lists acceptable documentation, can also be found at [www.PlanetRiskManagement.com/survrmc.html](http://www.PlanetRiskManagement.com/survrmc.html).

## 8) What kind of documentation is required for a quality assurance/quality control review?

Documentation does not have to take the form of a "formal report." A memorandum, checklist, or other similar document can provide evidence that a quality assurance/quality control review occurred.

## 9) How much effort do I have to put into getting paid? How many follow-ups? Do I have to do anything besides send letters?

The criterion requires documentation of attempts to receive payment for invoices submitted. This may take the form of reminder letters to your client, or it could take the form of a log noting on which dates phone calls were made in an attempt to receive payment.

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