

**RISK MANAGEMENT**

The Board recognizes its responsibility for properly managing the resources of the school system. This responsibility includes concern for the safety of students, employees and the public, as well as concern for protecting the system's property from loss. No new policy or procedure will be adopted or approved by the Board without first giving careful consideration to the school system's risk exposure.

The Superintendent shall be responsible for establishing a risk management and insurance program covering all property and program risks related to the performance of the educational and service missions of the system. This risk management and insurance program shall include means for identifying, eliminating, reducing, retaining or transferring risk. Only when a particular risk cannot be eliminated or feasibly retained by the system shall it be transferred by the purchase of insurance.

The Board realizes that the assumption of some predictable risks is the most economically feasible method of treating certain exposures. When it is in the apparent best interest of the system, the Board may budget for and retain limited and predictable risks of financial loss, through the use of contingency funds, deductibles, etc. or participation in pooled risk management programs with other School Districts.

When the purchase of commercial insurance is deemed necessary, such purchase will be made on the basis of service offered by the insurer, the reliability and financial stability of the insurer, and the price of the insurance as competitively determined.

The Board does not recognize any obligation to purchase insurance from a particular agent, broker or insurer representative or from any group of agents, brokers or insurer representatives other than an obligation based on the above stated considerations.

The Board charges the Superintendent with the responsibility for preparing an annual risk management audit report for review by the Board. The report shall include a description of the system's current risk management program and a summary of the existing insurance coverage's. Minimum information to be maintained for planning, budgeting, loss control and overall financial management includes at least the following: 1. Policy roster; 2. Losses incurred and paid; 3. Property valuations; 4. Inspection and maintenance records for all property; 5. Emergency plans.

The Board authorizes the Superintendent to seek professional risk management advice, if necessary, in order to develop, implement, maintain and audit an effective risk management program for the system.

Revised: July, 1998  
Reviewed: June 9, 2003  
Reviewed: October 12, 2010

**LIABILITY INSURANCE**

The School Board shall purchase liability insurance, as part of a comprehensive package or separate policies, as follows, seeking to minimize their exposure through preservation of statutory limitations on liability:

1. Commercial General Liability: Protecting the District and its employees against claims for bodily injury or property damage arising out of the ownership, maintenance, or use of the insured premises. In addition, this policy should cover the Board and its agents in cases alleging personal injury: libel, slander, invasion of privacy, false arrest or wrongful eviction. Limits should conform to RSA 507-B, at \$150,000 per person, \$500,000 per occurrence, with at least a \$1,000,000 annual aggregate.
2. Automobile Liability: Covering the District against claims for bodily injury, sickness or disease, or death, as well as claims for property damage arising out of the ownership, use or maintenance of a District-owned vehicle or authorized hired or non-owned vehicle properly used in behalf of the District, including provision for medical payments and uninsured motorists. Limits of liability will be a minimum of \$150,000/\$500,000.
3. Errors and Omissions Liability: Providing the Board and its agents with financial protection against any claims alleging wrongful acts arising out of their assigned responsibilities on behalf of the District (minimum of \$1,000,000).
4. The School District's attorney shall review all contract forms to be entered into by the Board or its agents with the insurance agent or broker, to identify any contractual liability being assumed by the District, and attempt to reduce or transfer such liabilities. Each contractor will provide evidence of Worker's Compensation coverage, and a Certificate of Insurance showing the liability policy endorsed to name the District as an additional insured.

Any accidents or occurrences that, no matter how minor, could indicate liability on the part of an employee or official of the District, shall be promptly reported to the administration and by them to the insurer. Any changes in use or occupancy of buildings shall also be reported. Strict observance of these requirements is necessary to prevent loss of coverage under policy restricting conditions.

Revised: July, 1998  
Revised: November, 1999  
Reviewed: June 9, 2003  
Reviewed: October 12, 2010

## SCHOOL ADMINISTRATIVE UNIT #79

EID

### INSURANCE

The Board shall procure and maintain fidelity bonds in reasonable amounts, in order to protect against the loss of money, securities, and checks by actual destruction, disappearance, or wrongful abstraction from within all premises and also while off any premises. Such coverage will include a commercial blanket bond covering employee dishonesty, and may include a comprehensive dishonesty, disappearance and destruction bond, with optional coverage's depending on the exposures at various locations.

Revised: July, 1998  
Revised: November, 1999  
Reviewed: June 9, 2003  
Reviewed: October 12, 2010