

**Policy**

---

INSURANCE MANAGEMENT; PROPERTY AND LIABILITY

Property Insurance

The Board recognizes its responsibility under law to keep all insurable property of this school district, real and personal, insured for its replacement value against loss or damage by fire and has adopted as policy the extension of that coverage to theft, water damage, glass breakage, explosion, boiler damage, smoke, windstorm and vandalism.

In placing the insurance coverage the Board shall be guided by the price of such coverage, the ability of the insurer to meet prescribed obligations promptly and fully, the reputation and past performance of the agent of the insurer and the desirability of distributing the insurance coverage of the district through an agent of record.

The Board shall appoint annually an insurance advisor who may be the agent of record and who shall:

- A. Review the insurance program of the district, consider alternatives, and report recommendations to the Board
- B. Recommend specific insurance placement and prepare specifications for same
- C. Assist the Board in the establishment and maintenance of property, valuation, and insurance records.
- D. Provide annually safety and fire inspections
- E. Process all claims
- F. Recommend such measures as may reduce the cost of insurance premiums including assumption of risk, loss prevention, and transfer of risk.

Liability Insurance

The Board recognizes the risks it faces in the ordinary course of conducting a school program and chooses to insure itself against certain liabilities as a result of said risks.

The Board shall in accordance with law insure its employees against injury or death resulting in the course of their employment and chooses also to:

- A. Insure members of the Board, officers, and employees of the district against personal liability for damages for death, injury to person, or damage or loss of property, caused by the negligent act or omission of the member, officer, or employee when acting within the scope of his/ her office or employment
- B. Insure against any liability arising out of the use of motor vehicles in connection with the conduct of automobile driver training courses

INSURANCE MANAGEMENT (continued)

C. Insure against any major liability arising from the use of a motor vehicle by an employee or student of the district in the performance of district business.

Adopted: 1994  
NJSBA Review/Update: November 2008  
Readopted: March 2009

<u>Legal References:</u>	<u>N.J.S.A.</u>	18A:12-20	Indemnity
	<u>N.J.S.A.</u>	18A:16-6	Indemnity of officers and employees against civil actions
	<u>N.J.S.A.</u>	18A:16-6.1,	Indemnity of officers and employees in certain criminal actions
	<u>N.J.S.A.</u>	18A:20-25 through 33	Insurance of Property