

BUSINESS SERVICES

INSURANCE COVERAGE

INSURANCE - GENERAL

The management and control of the school insurance program is a function of the Division of Business Services.

A. Management

The management and control of all insurance to be carried by the Board of Education shall be a function of the Division of Business Services, under the direction of the Assistant Superintendent, Business Services.

B. Insurance Records

Records of insurance policies shall be maintained by the Division of Business Services.

C. Establishment of Values

Whenever it is financially possible, insurance values and replacement cost values shall be established and kept up-to-date by a professional appraisal firm recommended by the Assistant Superintendent, Business Services, and approved by the Board of Education. When funds are not available for the employment of such an appraisal firm, the broker of record shall secure the valuation for the district from the most reliable source at no cost. In establishing the values, the appraisal engineers shall use the rates of depreciation currently in use by established appraisal firms.

D. Cancellation of Insurance Policies

Insurance policies shall be cancelled when such cancellations are deemed advisable, and the proper amount of unearned premium shall be collected by the broker of record, and given to the Division of Business Services for proper reporting to the Board of Education.

E. Settlement of Losses

When any property covered by school insurance is lost, damaged, or destroyed, a notice concerning the loss shall be sent immediately to all affected companies, or their representatives carrying insurance policies on said property.

The Assistant Superintendent, Business Services, shall act as adjuster for the school district in the settlement of losses. He shall recommend, as soon as practical, to the Superintendent and Board of Education a basis for settlement, filing with the Board of Education a summarized statement with such details as may be necessary of the basis upon which the settlement is recommended to the Board of Education. The Assistant Superintendent, Business Services, shall sign proofs of loss in connection with the transaction; and the proper amounts shall be collected by the broker of record, and given to the Division of Business Services for proper reporting to the Board of Education.

F. Placement of Insurance

The Assistant Superintendent, Business Services, shall secure cost quotations from all interested agents representing qualified companies. The placement of the insurance shall be with the eligible, responsible company submitting the lowest quotation.

Legal References: Education Codes 35208, 39601, 39602, 41021, 42801

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