

RISK MANAGEMENT

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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 district's risk exposure.

The Board charges the Superintendent and/or the Business Manager with the responsibility of preparing a risk management audit report at 2-4 year intervals 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.

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

The Superintendent or his/her designee 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 district. This risk management and insurance program shall include means for identifying, eliminating, reducing, retaining, or transferring risk. Only when in the judgment of the Superintendent or designee a particular risk cannot be eliminated or feasibly retained by the district 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, or other strategies.

When the purchase of 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 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.

Date Warned: 8/3/01

Date Adopted: 8/17/01

Legal Reference(s): 12 VSA § 5781
16 VSA § 1756

Cross Reference: Student Safety (F7)
Safety and Security (E7)
Policy Adoption (A2)