

Policy

INSURANCE

Accident Insurance

The Harrison Township Board of Education will provide parents the opportunity to purchase insurance coverage, at no cost to the board, for injury resulting from accidents sustained by students in school, on school grounds, at an activity sponsored by the school, while traveling between home and school and in any activity round-the-clock.

The superintendent and/or the business administrator shall recommend suitable and qualified insurance carriers for board consideration.

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. The board will ensure that the district has adequate insurance to cover the loss or damage of school property due to theft, water damage, glass breakage, boiler damage, fire damage, smoke, windstorm, vandalism and any other cause the board deems appropriate. In contracting for insurance coverage the board shall be guided by the desirability of distributing the insurance coverage of the district through one insurance broker only.

The board insurance broker shall annually:

- A. Review the insurance program of the district, consider alternatives, and report recommendations to the board;
- B. Assist the board in the establishment and maintenance of property valuation and insurance records;
- C. Review plans and specifications of all new facilities with the rating bureau in order to eliminate unnecessary penalty charges;
- D. Process all claims;
- E. Recommend such measures as may reduce the cost of insurance premiums including assumption of risk, loss prevention, transfer of risk and self-insurance.

All insurance records shall be on file in the office of the board.

Liability Insurance

The board shall in accordance with law insure its employees against injury or death resulting in the course of their employment. Board, officers, and employees shall also be insured against 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 or her office or employment.

The board shall provide appropriate insurance for the indemnification of officers and employees, including student teachers, from damages, losses, and expenses from civil suit brought against such persons on grounds arising out of and in the course of their employment or position with this board.

Board Members Indemnification

Members of the Harrison Board of Education shall be indemnified and held harmless from consequences of

INSURANCE (continued)

civil and criminal actions against them as provided by law.

Indemnification of Legal Expenses Incurred by School Board Members

The statute provides:

Whenever a civil administrative, criminal or quasi-criminal action or other legal proceeding has been or shall be brought against any person for any act or omission arising out of and in the course of the performance of his duties as a member of a board of education, and in the case of a criminal or quasi-criminal action such action results in final disposition in favor of such person, the board of education shall defray all costs of defending such action, including reasonable counsel fees and expenses, together with the costs of appeal, if any, and shall save harmless and protect such persons from any financial loss resulting there from. Indemnification for exemplary or punitive damages shall not be mandated and shall be governed by the standards and procedures set forth in N.J.S.A. 59:10-4. Any board of education may arrange for and maintain appropriate insurance to cover all such damages, losses and expenses.

A. Indemnification and School Ethics Charges

Accordingly, if a complaint is filed with the School Ethics Commission alleging a violation of the Code of Ethics, a board member can be indemnified, provided the violation arose out of and in the course of the performance of the Board member's duties. The issue in the indemnification cases will be whether, when a board member violates the Code of Ethics, such a violation is, in fact, occurring in the course of the board member's duties.

B. Indemnification and Civil Actions

A board member can obtain indemnification for defending a civil matter whether or not s/he prevailed in the underlying action. Indemnification will become an issue in instances where the board is not providing representation either directly or through its insurance carrier.

The board will assume responsibility for the deductible on the board's liability policy for claims against board members which arise from their official obligations.

Adopted: December 17, 2007
NJSBA Review/Update: July 2014
Readopted: October 27, 2014

Key Words

Tuition, Tuition Rates, Enrollment, Admission

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| <u>Legal References:</u> | <u>N.J.S.A. 18A:12-20</u> | Indemnity of board members against cost of defense |
| | <u>N.J.S.A. 18A:16-6</u> through -6.1 | Indemnity of officers and employees against action, proceeding; exceptions |
| | <u>N.J.S.A. 18A:18A-42</u> | Duration of certain contracts |
| | <u>N.J.S.A. 18A:18A-43</u> | Supervision of school building repairs |
| | <u>N.J.S.A. 18A:18B-1 et seq.</u> | Self-insurance |
| | <u>N.J.S.A. 18A:20-25</u> | Insurance of property |
| | <u>N.J.S.A. 18A:43-1</u> through -3 | Accident insurance for pupils authorized |
| | <u>N.J.S.A. 50:10-4</u> | Local public entities; authority to indemnify |

Possible

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| <u>Cross References:</u> | *1330 | Use of school facilities |
| | *3510 | Operation and maintenance of plant |
| | *4147/4247 | Employee safety |
| | *5141.1 | Accidents |

INSURANCE (continued)

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| *5142 | Student safety |
| *6114 | Emergencies and disaster preparedness |
| *9270 | Conflict of interest |
| *9271 | Code of ethics |

*Indicates policy is included in the Critical Policy Reference Manual