

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.

Responsibility for risk management is delegated to the Superintendent of Schools and his/her designees. The Superintendent may, subject to Board approval, retain the services of such consultants and attorneys as are necessary to protect the interests of the District. Risk management includes the procurement and management of an appropriate insurance or self- insurance program, attendance at hearings, the management and settlement of litigation, and the effort to reduce risk in the operations of the District. It is the intent of this policy to neither expand nor contract the general duty of care that the District owes its students, employees and the public.

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. The report shall include a description of the system's current risk management program and a summary of the existing insurance coverages. 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.

Settlement Authority

The Superintendent or their designee is hereby authorized to represent the District in litigated matters and, when appropriate, to negotiate a settlement on behalf of the District. The Superintendent shall be authorized to settle all claims other than personal injury claims up to a sum of \$25,000, and all personal injury claims, without Board approval, provided the settlement is within the budgetary constraints imposed on the District. Nothing in this delegation of authority shall preclude the Superintendent from seeking the prior advice, counsel, or approval of the Board in those matters if they deem appropriate.

The settlement of all non-personal injury claims in excess of \$25,000 shall require the approval of the Board. Such settlements shall be either pre-authorized by the Board or negotiated subject to Board approval. The Superintendent shall not enter into any settlement, which alters Board policy or binds the members of the Board without approval of the Board.

Communication with the Board

The manifest submitted to the Board shall clearly indicate when a proposed expenditure is in settlement of a claim or litigated matter. In addition, when a settlement is proposed that involves a matter of public record the Superintendent shall provide the Board with timely notification of the nature of the matter and its resolution. The Superintendent or his designee shall also report to the Board on no less than a quarterly basis as to the status of the District's risk management issues, and make timely recommendations to the Board as to how it can best manage and reduce risk in the District.

Legal References:

***Legal References Disclaimer:** These references are not intended to be considered part of this policy, nor should they be taken as a comprehensive statement of the legal basis for the Board to enact this policy, nor as a complete recitation of related legal authority. Instead, they are provided as additional resources for those interested in the subject matter of the policy.*

Board Approved: 06/22/2026