

<p style="text-align: center;"><b>TUSD</b> Tucson, Arizona</p> <p style="text-align: center;"><b>GOVERNING BOARD POLICY</b></p>	POLICY TITLE: Property Insurance
	POLICY CODE: EIA

The Board of Education of Tucson Unified School District Number One, Pima County, Arizona, being charged with the responsibility for the protection of all school district property, does hereby resolve to do so through the medium of purchasing insurance at the most reasonable price attainable in sound companies, except in those cases where sound judgment dictates that the District bear its own risks. It further resolves to carry out a continuous program of fire and accident prevention and safety engineering in order to protect the lives of our school population and to preserve the real and personal property of the School District.

The Board hereby charges the Superintendent of Schools or designated representative with the responsibility for carrying out the adopted policies of the Board in relation to the insurance program and hereby grants him authority to act for the Board in performing necessary duties as outlined hereinafter. The Board resolves to utilize the services of an insurance advisory committee to assist in the administration of this program.

**I. Duties and Responsibilities of the Superintendent or Designated Representative**

- A. Acts as liaison between the Board and the Insurance Advisory Committee. Attends the meetings of the Committee.
- B. With advice of Insurance Advisory Committee, selects agency or agencies to write insurance pursuant to policies adopted by the Board.
- C. Represents the Board in negotiations on all claims and signs proofs of loss and settles claims in accordance with Board policy and authority.
- D. Implements Board's policies on coverage.
- E. Has physical custody of policies, responsibility for renewal, and responsibility for insurance and property record keeping.
- F. Has responsibility for seeking technical advice on fire and safety engineering during preliminary planning on buildings.
- G. Sees that annual appraisals of the School District's real and personal property are made for insurance purposes.

- H. Negotiates, or calls for bids, with the advice of the Advisory Committee and with approval of the Board, for Workmen's Compensation insurance coverage.
- I. Submits to the School Board a list of agents of at least twice the number to be appointed for service on the Insurance Advisory Committee.

**II. Duties, Responsibilities, and Compensation of the Insurance Advisory Committee**

- A. Holds regular quarterly meetings and such special meetings as may be necessary in the opinion of the committee chairman or the Superintendent or designated representative.
- B. Elects from its membership each year a secretary and a treasurer.
- C. Advises the Superintendent or designated representative and the Board in regard to type, amount, limits, and forms of coverage.
- D. Makes recommendations to the Superintendent or designated representative and Board in regard to safety engineering and fire and accident prevention.
- E. Furnishes or makes available technical information on fire and safety engineering during preliminary planning on new buildings.
- F. Recommends all miscellaneous lines coverage to the Superintendent or designated representative, seeking the best possible adequate coverage at the lowest net cost to the District. "Miscellaneous lines" is defined as all types of general insurance carried by the District, except fire and Workmen's Compensation coverage.
- G. Determines policy writing fees, if any, for all lines with the approval of the Superintendent or designated representative.
- H. Assists in and expedites the adjustment of losses.
- I. Reviews continuously all rates and rating schedules with a view to obtaining the best possible rates.
- J. Furnishes the Superintendent or designated representative and the Board with such other technical advice as may be required.
- K. Administers the Insurance Commission Fund in accordance with instructions from the Superintendent or designated representative, and

furnishes regular reports on the Fund, including an annual audit report by a certified public accountant.

- L. Advisory Committee members will be paid \$200 each per month for their services on the Committee. Payments will be made from either the Insurance Commission Fund or District funds.
- M. The agency of a Committee member may not write a policy when a member of that agency is on the Advisory Committee.

**III. Composition, Qualifications, and Tenure of the Insurance Advisory Committee**

- A. To consist of six members.
- B. Members to serve for three years, with two appointed in December each year.
- C. No member who is completing the major part of a full three-year term shall succeed himself except after a lapse of one year.
- D. No more than one representative of any agency to serve on the Committee at any time.
- E. An agent shall qualify for membership on the Committee by having served a minimum of five years as a full-time general insurance agent and being generally recognized in the insurance industry as a competent and reliable insurance authority.
- F. The School Board shall make appointments to the Committee.

**IV. Policy in Regard to Settlement of Claims**

The Superintendent or designated representative is hereby authorized to settle all claims.

**V. Fire Insurance Policy Writing Agencies**

- A. Duties:
  - 1. To write fire insurance in companies meeting standards established by the School Board in the form and at the rates as instructed by the Superintendent or designated representative.

2. To deposit with the Treasurer of the Insurance Advisory Committee, within five days of receipt of premium payment, the entire gross commission, if any, on the policy written.
3. To cooperate with the Insurance Advisory Committee and the Superintendent or designated representative in the processing of all claims.

**B. Qualifications:**

Must have operated for a minimum of five years as a full-time general insurance agency and be recognized as a reliable agency by others in the industry.

**VI. Criteria for Selection of Insurance Companies**

**A. Qualifications of insurance companies:**

1. Company must be licensed to do business in the state with a licensed agent reasonably accessible to Tucson.
2. Company must have a financial rating in the latest "Best's" Insurance Report of at least AAAA and a management rating of A.

**VII. Insurance Commission Fund**

There will be one Commission Fund into which will be deposited all commissions included in any premiums paid by the District. All policy writing fees, fixed fee payments to Advisory Committee members, annual appraisal costs of the insured property, as well as any other expenses as recommended by the Advisory Committee and approved by the Superintendent or designated representative will be paid from this fund by the treasurer.

Adopted: September 15, 1959  
Revision: June 21, 1966  
Revision: April 20, 1971  
Revision: August 16, 1977  
Revision: September 9, 2008 (numeric to letter format only)  
Review:

**LEGAL REF.:**

**CROSS REF**

**Replaces TUSD Policy # 3510**