

## **INSURANCE MANAGEMENT**

### **Background**

The Division shall maintain adequate insurance to provide coverage for the reimbursement or indemnification of any trustee, employee, official, agent, or other person performing any duty for the Division, whether remunerated or not, against any losses or any action brought or judgment obtained against them, arising out of their duties in that position; provided that the legal liability for losses or expenses arises out of any act, error or omission during the performance of duties which are, or which they believe in good faith to be, within the scope of the duties of their position or employment with the Division.

### **Procedures**

1. The Secretary-Treasurer has the authority to acquire necessary Division insurance policies and inform the Superintendent annually.
2. The Superintendent shall ensure that the Division has an insurance policy for the purpose of indemnifying:
  - 2.1 The Division and its employees for claims for damages for death and personal injury; and
  - 2.2 For damages to property of the Division or property in which the Division has an insurable interest.
3. Insurance coverage maintained by the Division shall be subject to:
  - 3.1 No coverage for the payment of fines or penalties imposed against the named party by reason the named party being charged with a violation of any statute, Board policy or Division administrative procedure.
  - 3.2 Division insurers shall have the right to defend in the name of and behalf of the named party and make such investigation, negotiation and settlement of any claim as they may deem necessary or expedient.
  - 3.3 The named party upon being notified that any legal action may be or is being commenced against them, shall immediately notify the Superintendent.
4. Insurance coverage maintained by the Division extends to the named party who has left employment of position with the Division, provided the incident out of which a claim or demand arises, actually occurred during the time the named party was employed or performing duties for the Division.

Reference: Section 20, 60, 61, 113, 116 School Act