

# PENN MANOR SCHOOL DISTRICT

ADMINISTRATIVE REGULATION

APPROVED: August 19, 2013

REVISED:

## 812-AR-0. PROPERTY INSURANCE

The Board is determined to provide insurance protection for district property and assets based upon a prudent selection of risks to be borne by insurers and those to be assumed by the district. The primary consideration will be the frequency and liability probabilities of risks related to the district's abilities to absorb a loss.

The district will maintain insurance adequate to safeguard the district's property.

Each fiscal year, the Business Manager will make recommendations to the Board on the amounts and types of insurance which should be obtained for district property, such as for real and personal property, boiler and machinery, etc.

The Superintendent and Business Manager will include insurance premiums in the annual budget as a necessary expense.

The Business Manager will maintain custody of insurance policies and insurance programs.

The district administration will utilize the following as insurance guidelines:

1. Insure for 100% of replacement cost against the risks embodied in fire and extended coverage policies on buildings and their contents.
2. Accept all reasonable deductible features where premium saved is substantial and risk of loss is minor.
3. Protect funds and property adequately against losses caused by burglary, robbery and dishonesty.
4. Adjust insurance coverage according to the estimates of assets by annual appraisal.
5. Maintain an amount equal to at least ten percent (10%) of the district's annual budget as borrowing power for emergency use against uninsured losses.
6. Review the insurance portfolio annually and as changes to coverage needs dictate.

Insurance claims for damages to school property must be reported to the Business Manager or designee by the responsible administrator.