



3600

## Self-Insured Program

*Policy 3600*

Original Adoption: 10/30/1990

Revision Dates: 6/9/2015

Review Dates:

Effective Date: 6/10/2015

### **I. PURPOSE**

Risk management and the settlement of claims against the District are the responsibility of the Board of Directors. The risk management and insurance programs should provide the best and most economical loss coverage available to the district and the implementation of programs, rules and procedures that minimize the risk of claims against the district. The purpose of this policy is to establish the parameters of the district's risk management and insurance provision.

### **II. DISTRICT AS SELF-INSURED ENTITY**

- A. The District is primarily self-insured for general liability coverage.
- B. A separate Self-Insurance Internal Service Fund shall be maintained for the implementation of the self-insurance program.
  - 1. An estimated fund balance requirements shall be calculated annually.
  - 2. If the estimated fund balance requirement is not available in the fund, the Board may transfer funds from any other appropriate funds to meet the estimated requirements.
  - 3. If the fund balance exceeds the estimated and actual fund balance requirements for three successive years, the Board may transfer funds out of the Self-Insurance Service Fund to other funds as deemed prudent by the Board.
- C. The Superintendent, or Superintendent's designee, shall periodically evaluate the feasibility of purchasing outside insurance coverage to supplement the self-insurance program. The Superintendent is authorized to purchase insurance for liability coverage.

### **III. CLAIMS MANAGEMENT**

- A. The Superintendent, or Superintendent's designee, shall manage the self-insured general liability program and coordinate it with any purchased insurance program.
- B. The Superintendent, or Superintendent's designee, shall report no less than quarterly to the Board of Education on the status of liability claims brought under the self-insured liability program, and any claims made under purchased insurance programs.
- C. Settlements in excess of \$50,000.00 (Fifty Thousand Dollars) must be approved by the Board of Directors.
- D. The Superintendent, or Superintendent's designee, shall establish and publish the procedure for making claims against the District.



***Legal References:***

Minn. Stat. §471.435 (Municipal Contracting Law)  
Minn. Stat. §471.98 *et. seq.*(Self-Insurance)  
Minn. Stat. Ch. 466 (Tort Liability, Political Subdivisions)

***Cross References:***

MPS Policy 2100 (Superintendent: Role and Functions)  
MPS Policy 5685 (Environmental Health and Safety)  
MPS Policy 6681 (Accident Prevention and Reporting)