

FINANCE

Risk Management

Property and Casualty Coverage and Bonds

This policy supersedes Policy 5710.2.

I. PURPOSE

To protect School Board property and resources and to safeguard the interests of the School Board, its employees, volunteers, and others at the discretion of the School Board.

II. SUMMARY OF CHANGES SINCE LAST PUBLICATION

Sections I., III., IV., and V. have been changed to incorporate updated language and description.

III. COVERAGE

Coverage shall be provided through property and casualty (liability) insurance, bonds, and self-insurance plans, as appropriate. Where applicable, insurance policies may contain deductible provisions (to be paid by the School Board) as determined by fiscal and risk management considerations.

IV. INSURANCE

A. Property Insurance

1. Building and Contents

School Board real property (buildings and structures) and personal property (equipment and materials) shall be protected by all risk property insurance.

2. Boiler and Machinery

School Board-owned or School Board-controlled boilers, vessels, accessories, machinery, and pertinent electrical apparatus shall be protected by comprehensive equipment breakdown insurance.

B. Casualty (Liability) Insurance

1. Comprehensive General Liability (Premises and Operations)

School Board members, employees, volunteers, and others, at the discretion of the School Board, shall be protected by liability insurance or self-insurance that, subject to

its terms, covers the cost of investigating, defending, and paying legally obligated sums for claims resulting from bodily injury, property damage, and certain wrongful acts arising from occurrences for which there may be legal liability.

2. Educators' Legal Liability (Errors and Omissions)

School Board members, employees, volunteers, and others, at the discretion of the School Board, shall be protected by liability insurance or self-insurance that, subject to its terms, covers the cost of investigating, defending, and paying legally obligated sums for claims arising from any actual breach or alleged breach of duty, act of neglect, error, misstatement, misleading statement, or omission committed in the performance of duties.

3. Vehicle Operations

Fairfax County Public Schools motor vehicles that are owned, hired, leased, or borrowed shall be protected by liability insurance or self-insurance in an amount equal to or greater than that required by the Code of Virginia.

C. Other Coverages

Other property and casualty coverages may be procured through commercial insurance or self-insured as deemed appropriate to safeguard the property and interests of Fairfax County Public Schools.

V. BONDS

A. Fidelity Coverage

The School Board shall maintain a commercial crime policy that provides comprehensive fidelity coverage including dishonest acts of employees or volunteers.

B. Public Officials

The School Board shall maintain public official bonds as required by the Code of Virginia.

Legal References: Code of Virginia, Sections 22.1-76(C), 22.1-79, 22.1-84, and 2.1-190

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