

## Operational Services

### Insurance Management

The District shall provide an insurance program which offers the broadest and most complete coverage available at the most economical cost, consistent with sound insurance principles. The insurance program shall be dealt with as a whole in order to eliminate inconsistency in rates, overlapping coverage, and gaps in the overall program.

Insurance shall be purchased in a manner that will provide adequate coverage with satisfactory and convenient service at the lowest cost. Renewal of insurance policies shall be subject to review by the Board of Education.

#### Property Insurance

Property insurance shall be provided by a comprehensive type policy, covering a broad range of causes of loss involving buildings and personal property. The amount of coverage shall normally be for the replacement cost of the insurable value.

#### Liability Insurance

The Board of Education shall provide insurance against any loss or liability of the School District, members of the Board of Education, volunteers authorized by the Illinois School Code, employees and student teachers by reason of civil rights damage claims and suits, constitutional rights damage claims and suits, and death and bodily injury and property damage claims and suits, including defense costs, when damages are sought for negligent or wrongful acts allegedly committed during the scope of employment or under the direction of the Board.

The District shall carry sufficient coverage of the types enumerated above. The insurance company shall agree to defend any individual covered by the policy in case of a lawsuit, regardless of whether or not he was negligent or even if the suit is groundless, false, or fraudulent and to pay damages if the individual has committed a wrongful act or was negligent.

#### Staff Insurance Programs

The District shall provide or make available to employees of the District a comprehensive range of insurance programs, as authorized by the Illinois School Code, including the following:

1. Workers' Compensation

All school employees, volunteers and student teachers are protected by a policy which the District is required to carry under the provisions of the Illinois Workers' Compensation Act. This policy protects the individual against financial loss in case of injury, certain types of disease, or death incurred in an employment-related situation.

2. Health & Life

All noncertified employees who work 25 hours or more per week shall upon request receive health, life, and dental insurance under the Board's current plan. All certified employees who work at least half time or more shall receive health, life, and dental insurance in proportion of their contract (i.e. half time contract = 50% benefits paid by the Board, three quarter time contract = 75% benefits paid by the Board, etc.) under the Board's current plan.

3. Annuities

Staff members on an annual contract may authorize a salary deduction in order to participate in a tax deferred annuity program in a company on the District's approved list.

4. Unemployment Compensation

Under the provisions of Public Law 94-566, the unemployment compensation Statute, paid employees of the district may be eligible for benefits upon termination of employment if eligibility requirements under the law are met.

The District shall also comply with the regulations regarding the group health care continuation coverage requirements under the Consolidated Omnibus Budget Reconciliation Act (COBRA). The Board shall review the District's insurance program on an annual basis.

LEGAL REF.: Illinois School Code, Sec. 10-22.3a, 10-22.34, 10-22.34a, and 10-22.34b (105 ILCS 5/10-22.3a, 5/10-22.34, 5/10-22.34a, and 5/10-22.34b); Illinois Workers' Compensation Act (820 ILCS 305/1, *et seq.*); Illinois Insurance Code (215 ILCS 5/1, *et seq.*); and Consolidated Omnibus Budget Reconciliation Act, P.L. 99-272, §1001, 100 Stat. 222, 4980B(f) of the I.R.S. Code, 42 U.S.C. § 300bb-1, *et seq.*

CROSS REF.: 4.104 and 4.106.

Adopted: May 22, 1997  
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