

# FRANKLIN CENTRAL SUPERVISORY UNION AND ITS MEMBER SCHOOL DISTRICTS

## COMMON PROCEDURE FOR RISK MANAGEMENT E4

Franklin Central Supervisory Union and its member schools endeavors to minimize risk as it discharges its responsibility for properly managing the resources of each of the member school systems. This responsibility includes concern for the safety of students, employees and the public, as well as concern for protecting the Supervisory Union and Member District's property from loss. No new program, policy or procedure will be adopted or approved by any of the Boards without first giving careful consideration to the school system's risk exposure.

### Implementation:

The Superintendent, through the Business Manager, shall be responsible for establishing a risk management and insurance program covering all property and program risks related to the performance of the educational and service missions of the supervisory union and member districts. This risk management and insurance program shall include means for identifying, eliminating, reducing, retaining or transferring risk. Only when a particular risk cannot be eliminated or feasibly retained by the organization, shall it be transferred by the purchase of insurance.

The Boards realize that the assumption of some predictable risks is the most economically feasible method of treating certain exposures. When it is in the apparent best interest of the district, each Board may budget for and retain limited and predictable risks of financial loss, through the use of contingency funds, deductibles, or other strategies.

Insurance shall be purchased on the basis of service offered by the insurer, the reliability and financial stability of the insurer, and price of the insurance as competitively determined in accordance with 16 V.S.A. §1756.

Each Board does not recognize any obligation to purchase insurance from a particular agent, broker or insurer representative or from any group of agents, brokers or insurer representatives other than an obligation based on the above stated considerations.

The Superintendent/designee may seek professional risk management advice, within budget constraints, in order to develop, implement, maintain and audit an effective risk management program for the system.

*Legal Reference(s): 12 V.S.A. §5781 (Non-profit organizations)  
16 V.S.A. §1756 (Protection of school officials and staff)*

*Cross Reference: Safety and Security of School Facilities (E6)*