

NON-INSTRUCTIONAL SERVICES: NON-INSTRUCTIONAL SERVICES [Risk Management]

BOARD INSURANCE PROGRAM

I. PURPOSE

FOR ITS OWN PROTECTION AND FOR THE PROTECTION OF ITS MEMBERS, EMPLOYEES AND AGENTS, THE BOARD OF EDUCATION OF BALTIMORE COUNTY (BOARD) WILL MAINTAIN AN INSURANCE MANAGEMENT PROGRAM AS PART OF ITS RISK MANAGEMENT PROGRAM. THIS RULE DESCRIBES THE GENERAL TYPES OF COVERAGE PROVIDED AND REPORTING RESPONSIBILITIES OF BOARD EMPLOYEES.

II. GENERAL INFORMATION

A. THE BOARD WILL SECURE INSURANCE OR PARTICIPATE IN A SELF-INSURED GROUP INSURANCE POOL IN ORDER TO MAINTAIN THE FOLLOWING TYPES OF INSURANCE IN AMOUNTS AUTHORIZED BY THE BOARD.

1. PROPERTY INSURANCE

a. COVERAGE SHALL BE ARRANGED ON AN ALL-RISK BASIS FOR ALL PROPERTY OF THE BOARD, BOTH REAL AND PERSONAL, OR PROPERTY BELONGING TO OTHERS THAT IS [The Board of Education shall procure and maintain fire and extended coverage insurance on all property owned, or] in the care, custody, or under the control of the Board. [of Education in order to properly conserve the assets of the Board of Education. The principle of deductible insurance should be considered to the extent practical.]

b. Coverage shall be arranged on a replacement cost basis and in [sufficient] amounts AS AUTHORIZED BY THE BOARD.

2. CONSTRUCTION

a. CONTRACTORS SHALL BE REQUIRED TO SECURE AND MAINTAIN BUILDERS RISK INSURANCE, AT THEIR SOLE EXPENSE, on all BOARD-APPROVED CONSTRUCTION PROJECTS [new buildings, and additions, engineered by outside architects, the Board of Education shall require, the contractor to secure, and

maintain,] during THE construction PHASE and until FINAL acceptance IN AMOUNTS DEEMED NECESSARY BY THE BOARD. [, builders risk insurance to protect the interest of both the contractor and the Board of Education. Such insurance shall protect against perils of fire, extended coverage, vandalism and malicious damage, and any deductible shall be borne by the contractor.]

3. [2.] Boiler and Machinery
 - a. COVERAGE SHALL BE ARRANGED AGAINST DAMAGE TO OR RESULTING FROM EXPLOSION OF BOILERS, PRESSURE VESSELS, AND OTHER IDENTIFIED MACHINERY [The Board of Education shall procure and maintain boiler and machinery type insurance to provide inspection service and [insurance] coverage against damage to or] resulting from explosion [of boilers and other pressure vessels, and mechanical] or electrical breakdown [of other important machinery and electrical apparatuses] and bodily injury to the public resulting from such occurrences. [The principle of THROUGH deductible insurance is approved and should be considered to the extent practical. The limit of liability insured shall be sufficient to protect the Board of Education from undue financial loss in the event of a catastrophic loss.]
4. [3.] Liability INSURANCE
 - a. [The Board of Education shall procure and maintain general] Liability COVERAGE SHALL BE ARRANGED [type insurance] to protect the Board, [of Education] ITS MEMBERS, EMPLOYEES, AND VOLUNTEERS OR AGENTS from financial loss due to claims for damages resulting from alleged negligence WHILE ACTING IN THE DISCHARGE OF THEIR DUTIES WITHIN THE SCOPE OF THEIR EMPLOYMENT AND/OR UNDER THE DIRECTION OF THE BOARD. [by the Board of Education and any of its employees, arising out of operations of the Board of Education, other than by use of automobiles.

Such policy shall cover the Board of Education of Baltimore County, and the individual members of the Board of Education of Baltimore County, while acting within the scope of their duties as such.

As respects claims against any named insured, under this policy, other named insured's or the employees of other named insured's shall be deemed to be members of the public.

The "persons insured" provision includes any employee, volunteer or student teacher while acting within the scope of his/her duties as such, but the insurance afforded such person does not apply:

A.To bodily injury to another employee of the named insured arising out of or in the course of his/her employment.

B.To property damage to property owned, occupied or used by, rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by (1) another employee, volunteer or student teacher of the named insured or (2) the named insured.

All such insurance shall be in limits deemed prudent and reasonable in the judgment of the Board of Education to protect the assets of the Board of Education of Baltimore County from undue financial loss in the event of a catastrophic loss.]

4. Automobile Liability [and Medical Payments]

a. **COVERAGE FOR ALL BOARD-OWNED, HIRED, NON-OWNED OR CONTRACT-OPERATED VEHICLES** [The Board of Education shall procure and maintain Automobile liability, type insurance] to protect the Board [of Education] from financial loss resulting from claims for damages resulting from alleged negligence by the Board [of Education], ITS MEMBERS, EMPLOYEES AND AGENTS UNDER THE FOLLOWING CONDITIONS:

- (1) SUCH AUTOMOBILE IS BEING USED FOR THE BUSINESS OF THE NAMED INSURED.
- (2) SUCH USE IS EITHER BY SUCH OWNER OR BY ANY OTHER PERSON WHOSE ACTUAL OPERATIONS OR USE IS WITH SUCH OWNER'S PERMISSION.

[b.]

[or any of its employees and arising out of ownership, maintenance or use of all automobiles, including owned, hired, non-owned and contract-operated vehicles.

Such policies shall include as named insured the following:

- A. Board of Education of Baltimore County
- B. Any other person while using an owned automobile or a hired automobile with the permission of the named insured, provided the actual operation or (if not operating) the other actual use thereof is within the scope of such permission, but with respect to bodily injury or property damage arising out of the loading or unloading thereof, such other person shall be an insured only if:
 - (1) As a lessee or borrower of the automobile, or
 - (2) An employee of the named insured or of such lessor or borrower.
- C. Any other person or organization but only with respect to liability because of act or omission of the named insured or the insured under "B" above.

The policy coverage is extended to cover as insured, any individual who is a member of the governing board, an officer or an employee including student teachers, of the named insured, acting within the scope of their duties as such while using an automobile owned by such individuals, provided:

- A. Such automobile is being used on the business of the named insured.
- B. Such use is either by such owner or by any other person whose actual operations or use is with such owner's permission.

Medical payments coverage applicable to injuries to members of the public (not employees) shall be included.]

5. Contract Bus Operators Automobile Liability [and Medical Payments]

a. COVERAGE SHALL BE ARRANGED FOR BODILY INJURY, PROPERTY DAMAGE, AND PERSONAL INJURY [The Board of Education shall procure and maintain automobile liability and medical payments type insurance] to protect the Board [of Education] FROM FINANCIAL LOSS RESULTING FROM CLAIMS FOR DAMAGES RESULTING FROM ALLEGED NEGLIGENCE OF ITS CONTRACT BUS OPERATORS in the same manner as for BOARD-owned VEHICLES [automobiles;] and to [also] protect [all] contract bus operators FROM LIABILITY WHEN THEY [who] choose to be included under such policy AND WHEN SAID BUSES ARE:

- (1) ON OFFICIAL BOARD BUSINESS TRANSPORTING PUPILS TO AND FROM SCHOOL, OR SCHOOL-SPONSORED TRIPS, INCLUDING THE OPERATION OF BUSES TO AND FROM THE REGULAR STORAGE OR GARAGE LOCATION;
- (2) OPERATED FOR MAINTENANCE OR TESTING PURPOSES;
- (3) STORED OR PARKED AT THE REGULAR STORAGE OR GARAGE LOCATION;
- (4) TRANSPORTING BOARD EMPLOYEES WHEN ON SCHOOL-SPONSORED ACTIVITIES; OR
- (5) USED FOR TRAINING DRIVERS.

b. CONTRACT BUS [Those] operators who do not choose to be covered under such policy shall be required to provide the Board [of Education] with certificates of insurance coverage at least equal to that of the Board [of Education]'s own coverage.

[The Board of Education will provide bus insurance for contract bus operators. The coverage shall include bodily injury liability, property damage, and personal injury protection. This insurance will be in effect while said buses are:

- A. On official Board of Education of Baltimore County business transporting pupils to and from school, or school-sponsored trips, including the operation of buses to and from the regular storage or garage location.
- B. Operated for maintenance or testing purposes.
- C. Stored or parked at the regular storage or garage location.
- D. Transporting Board of Education employees when on school-sponsored activities.
- E. Used for training drivers.

Other use of these buses is not covered by this insurance nor does it include comprehensive or collision coverage.]

- 6. Automobile Physical Damage
 - a. **COVERAGE SHALL BE ARRANGED FOR PHYSICAL DAMAGE TO BOARD-OWNED VEHICLES.** [The Board of Education shall procure and maintain automobile physical damage insurance on all owned vehicles; and non-owned driver education vehicles as required by the dealers.

Such coverage on Board of Education owned vehicles shall be against the perils of fire, lightning, windstorm, theft, and those perils known as “combined additional perils.”

No collision coverage shall be carried on Board- [of Education owned vehicles; however, collision coverage shall be carried on non-owner vehicles on loan from dealers used in the driver training program.]

- 7. Money and Securities
 - a. **COVERAGE SHALL BE ARRANGED** [The Board of Education shall procure and maintain insurance, in reasonable amounts, based on the exposure to losses at various locations,] to protect THE BOARD against the loss of money, securities, and **OTHER COVERED NEGOTIABLE INSTRUMENTS** [checks] by **EMPLOYEE DISHONESTY; FORGERY OR ALTERATION; THEFT, DISAPPEARANCE AND DESTRUCTION; AND FRAUD.**

[actual destruction, disappearance, or wrongful abstraction from within all premises and also while off any premises.]

[8. Employee Surety Bonds

A. Superintendent

In compliance with the public school laws of Maryland, the Superintendent of Schools shall be bonded to the extent of \$50,000 to the State of Maryland. The bond shall be filed in the Office of the Clerk of the Circuit Court for Baltimore County.

B. Employees

In addition, the Board of Education shall procure and maintain a fidelity type insurance in a reasonable amount to protect the Board of Education against possible losses caused by any fraudulent or dishonest act or acts of any of its employees, acting alone or in collusion with others.]

8. [9.] Board Business Travel Insurance

a. **COVERAGE SHALL BE ARRANGED FOR MEMBERS OF THE BOARD DUE TO** [The Board of Education shall procure and maintain] accidental death and dismemberment [business travel insurance for active Board members of the Board of Education to protect the Board of Education from undue financial loss. Such policy will provide 24-hour coverage for Board members] while traveling on **OFFICIAL Board business OFF OF SCHOOL-OWNED OR LEASED PROPERTY.** [away from the premises of the Board of Education.

Such insurance shall provide coverage for accidental loss of life, limb, sight, speech, hearing, and paralysis as well as permanent total disability benefit and medical expense benefits.

All such insurance shall be in limits deemed prudent and reasonable in the judgment of the Board of Education.]

9. [10.] **UNDERGROUND Storage Tank Liability and Cleanup Insurance**

- a. TO SATISFY FINANCIAL RESPONSIBILITY REQUIREMENTS IMPOSED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, THE BOARD SHALL PROCURE AND MAINTAIN UNDERGROUND STORAGE TANK LIABILITY AND CLEANUP INSURANCE SUFFICIENT TO MEET EPA REQUIREMENTS AND TO PROTECT THE BOARD FROM UNDUE FINANCIAL LOSS ASSOCIATED WITH AN ACCIDENTAL, SUDDEN, OR GRADUAL RELEASE OF CHEMICALS FROM UNDERGROUND STORAGE TANKS LOCATED AT SCHEDULED BUS LOTS AND MAINTENANCE FACILITIES.

[The Board of Education shall procure and maintain underground storage tank liability and cleanup insurance to protect the Board from undue financial loss associated with an accidental release of chemicals from storage tanks located at scheduled bus lot and maintenance facilities.

The principle of deductible insurance is approved and should be considered to the extent practical.

All such insurance shall be in limits deemed prudent and reasonable in the judgment of the Board of Education.]

10. [11.] Catastrophic Student Accident Insurance

The Board of Education shall procure and maintain catastrophic student accident insurance to provide CATASTROPHIC STUDENT accident medical expense coverage for ALL BCPS students PARTICIPATING IN A SCHOOL-SPONSORED ACTIVITY THAT IS SANCTIONED AND SCHEDULED BY BCPS. SUCH COVERAGE SHALL BE IN EXCESS OF OTHER VALID AND COLLECTIBLE INSURANCE. [suffering catastrophic injuries in “interscholastic sports,” including interscholastic football, band, cheerleaders, majorettes, intramural sports, gym classes and non-sport extracurricular activities, also including student coaches, student managers, and student trainers.

The principle of deductible insurance is approved and should be considered to the extent practical.

All such insurance shall be in limits deemed prudent and reasonable in the judgment of the Board of Education.]

III. REPORTING

- A. UPON BECOMING AWARE OF AN INCIDENT THAT MAY LEAD TO A LIABILITY CLAIM AGAINST THE SCHOOL SYSTEM OR WHEN A CLAIM FOR LIABILITY IS RECEIVED, THE SCHOOL PRINCIPAL OR OFFICE HEAD SHALL REPORT THOSE INCIDENTS IMMEDIATELY TO THE OFFICE OF RISK MANAGEMENT.
- B. EMPLOYEES SHALL IMMEDIATELY REPORT ALL PROPERTY LOSS AND DAMAGE IN ACCORDANCE WITH PROCEDURES OUTLINED IN THE *CRITICAL RESPONSE AND SCHOOL EMERGENCY SAFETY MANAGEMENT GUIDE*.
- C. IN ACCORDANCE WITH BOARD OF EDUCATION POLICY 8410, *FRAUD REPORTING*, EACH EMPLOYEE SHALL IMMEDIATELY REPORT INSTANCES OF SUSPECTED FRAUD OR FISCAL IMPROPRIETY THROUGH THE ANONYMOUS FRAUD TIP LINE OR TO HIS/HER IMMEDIATE SUPERVISOR.

LEGAL REFERENCES: *ANNOTATED CODE OF MARYLAND*, EDUCATION ARTICLE §4-105, *COMPREHENSIVE LIABILITY INSURANCE; DEFENSE OF SOVEREIGN IMMUNITY*.
ANNOTATED CODE OF MARYLAND, EDUCATION ARTICLE §4-106, *IMMUNITY OF COUNTY BOARD EMPLOYEES, VOLUNTEERS AND BOARD MEMBERS*

RELATED POLICIES: BOARD OF EDUCATION POLICY 3128, *BOARD-OWNED VEHICLES*
BOARD OF EDUCATION POLICY 3151, *ACCIDENT INSURANCE*
BOARD OF EDUCATION POLICY 3160, *SCHOOL-SPONSORED ACTIVITIES*
BOARD OF EDUCATION POLICY 8410, *FRAUD REPORTING*

Rule

Superintendent of Schools

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