

# Policy 3-042: Property-Insurance Program

## I. Purpose

The state risk management fund provides insurance for university-owned moveable equipment and moveable equipment purchased with federal funds. The state fund property insurance policy provides coverage requiring a \$1,000 per occurrence deductible. This may be adjusted from time to time.

The purpose of this policy is to describe the insurance program for replacing university-owned movable equipment or movable equipment purchased with federal funds which is lost, stolen, or destroyed.

## II. References

[Policy 3-040 \(/administration/3-040.php\)](#), Property Accounting Utah State Risk Management Property Insurance Policy.

## III. Policy

### A. Property Insurance Fund

The property insurance fund will be centrally funded by the university in an amount approved annually by the president or his/her designee.

1. Operating units assume the first \$1,000 of any equipment loss due to theft. For other covered movable equipment losses (as insured under the Utah State Risk Management property insurance policy), operating units are responsible for the first \$500. The property insurance deductible fund shall be used to pay the difference between the \$500 departmental deductible and the \$1,000 deductible charged by the university's property insurer for non-theft losses.
2. Operating units that are not funded primarily from state appropriations, including but not limited to auxiliary enterprises and service units, are encouraged to participate in the insurance program but are not required to do so. If such an operating unit participates in the program, an appropriate contribution to the property insurance deductible fund program will be required, in an amount based on the value of university property assigned the unit or other appropriate criteria as determined by the vice president for administrative services, or his/her designee.

### B. University Risk and Insurance Services Department

The university risk and insurance services department is responsible for:

1. Investigating claims and maintaining claim files of loss or damage of university-owned movable equipment, or movable equipment purchased with federal funds, and providing payment from the university's property insurance deductible fund and carriers for claims which are deemed valid and covered by the property insurance program.
2. Calculating, and recommending to the vice president for administrative services or his/her designee, the contributions to be required of auxiliaries and service units for participation in the property insurance deductible program.
3. Maintaining records and submitting annual reports to the vice president for administrative services, or his/her designee with respect to the operations of the property insurance program.
4. Planning, directing and controlling the risk management and insurance functions for the University Property Insurance Program and disseminating related information to the university community.
5. Recommending loss reduction Procedures applicable to university property.
6. Representing the university in dealing with insurers to resolve coverage, loss adjustment or disputes and providing insurance underwriting information, including property locations and values.

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Approved: Board of Trustees: December 10, 2001

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