

## I. Self-Insurance, Investigation and Settlement ~~Services of Claims~~

- (1) The District is self-insured with respect to certain bodily injury, property damage and other claims arising from certain accidents and other occurrences. The District may contract ~~for investigative-external services for to investigate and/or defend bodily injury and property damage~~ claims made against the District.
- (2) Proposed final determination and settlement agreements involving payment of District funds of \$~~7~~25,000 and over will be submitted ~~by the Ddistrict's risk manager~~ to the Board after review by the District's General Counsel. The Superintendent may authorize (and delegate to the General Counsel and director of Risk Management) final settlements for ~~uninsured personal injury and property damage~~ claims involving payment of District funds under \$~~7~~25,000 upon determining that such settlement is in the best interests of the District and is reasonable under the circumstances, considering the risk of liability involved. A liability release signed by the payee ~~will be~~ is required as part of the terms of settlement.

## II. Notice of Settlement of Claims Below Board-Approval Threshold

- (1) ~~Upon receipt of a notice of claim for an alleged tort or similar claim (exclusive of employment and student discrimination claims), the General Counsel Risk Management Department will proceed to do the following:~~
  - (a) ~~Determine whether the matter will be handled by the General Counsel's office or Risk Management.~~
  - (b) ~~Notify the claimant or the claimant's legal counsel that notice has been received and will be investigated;~~
  - (c) ~~Prepare and administer files;~~
  - (d) ~~Notify and submit claims for review by the Ddistrict's general counsel when a settlement in excess of \$5,000 is considered or when the claimant elects to pursue litigation; and~~
  - (e) ~~Maintain financial statistics on all claims costs.~~
- (2) Within 30 days of the end of each quarter, the General Counsel's Office Notwithstanding the delegation of authority limits set forth in 8.90.010-P Contracts, the legal committee of the Board shall be provide the Board with a list of summary of the settlements of claims resolved below the board-approval threshold. advised/consulted regarding settlements of actual or threatened litigation or administrative complaints where the settlement is between \$25,000 and \$725,000.

## III. Establishment of Reserves

- (1) ~~A special financial reserve and budgetary fund is hereby established~~

~~pursuant to ORS 332.437 for the purpose of paying:~~

- ~~(a) costs incurred by the Ddistrict under this policy; and~~
- ~~(b) claims against the Ddistrict, including discrimination claims, in accordance with settlement agreements or other determination.~~

~~(2) As used in this section, “normal reserve” refers to the amount of such fund established by Board resolution after review and comment by the risk manager. Recommendations for the normal reserve shall be made with the objectives of:~~

- ~~(a) providing a clearly adequate amount with which to pay all uninsured costs and claims of the kind for which the fund is established; and~~
- ~~(b) preventing the existence or settlement of claims from having any further effect on the budget or funds of the Ddistrict.~~

**IV.** ~~Additions during a fiscal year may also be made by resolution of the Board pursuant to ORS 294.46350. Reductions shall not be made except: (1) in connection with the adoption of the Ddistrict’s budget for the ensuing year; or (2) by expenditures made for the purposes described in this policy.~~

~~(1) The budget resources of said reserve fund shall be permitted to increase from year to year by reason of earnings on investments of monies in said fund and additions thereto made pursuant to this policy. Expenditures therefrom shall be made only pursuant to specific resolutions adopted by the Board or pursuant to settlements approved in accordance with this policy, and only for the purpose for which said reserve fund had been created.~~

Legal References: ORS 30.290; ORS 294.4~~6350~~; ORS 332.435; ORS 332.437

History: Adpt 9/13/77; Amd 5/81; Amd 10/13/83; Rev 8/28/00, BA 1400; ~~Amd /22-~~