



## UNIVERSITY POLICY

**SUBJECT:** FINANCIAL AFFAIRS    **TITLE:** PROCUREMENT OF INSURANCE COVERAGE

**CODING:** 00-01-50-86:00    **ADOPTED:** 07/01/87    **AMENDED:** 05/11/93

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### I. PURPOSE

To set UMDNJ policy regarding the purchase of insurance.

### II. ACCOUNTABILITY

Under the Senior Vice President for Administration and Finance, the Vice President for Finance and Treasurer is to ensure compliance with this policy. The Director of Risk and Claims Management shall implement this policy.

### III. POLICY

1. In order to most effectively protect the University against exposures to risk at the least possible cost, the responsibility for the management of the University's various insurance programs is centralized in the Office of Risk and Claims Management. In order to minimize the cost of UMDNJ's insurance programs and, also, to avoid any overlap of coverages, all procurement of insurance coverage intended to insure UMDNJ and/or its employees, agents, volunteers, etc. must have the explicit approval of the Office of Risk and Claims Management.
2. The UMDNJ Purchasing Office will approve purchase orders intended to secure the procurement of any form of insurance coverage as defined in section 1. only with the explicit approval of the Office of Risk and Claims Management. All procurement of insurance coverages will be initiated by the Office of Risk and Claims Management.
3. The UMDNJ Accounts Payable Office will process payment of an insurance coverage premium only with the explicit approval of the Office of Risk and Claims Management. All requests for payment of insurance premiums, as cited in section 1. will have the written approval of the Office of Risk and Claims Management before payment is implemented.
4. Insurance purchases made outside the scope and terms of this policy will not be payable by UMDNJ and, accordingly, will be the sole responsibility of the individual purchaser.
5. All procurement of insurance coverages by the Office of Risk and Claims Management will be performed in accord with the applicable UMDNJ Materiel Management policies.

By Direction of the President:

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Senior Vice President for Administration and Finance