

Insurable Risk Policy

Section 1 - Purpose

(1) To ensure that the University has in place insurance that provides comprehensive and cost effective protection for its insurable risks, and that the terms and conditions of this protection are clearly documented so coverage is not endangered.

Background

(2) Insurance is a risk transfer mechanism that enables the University to transfer the funding of losses to a third party, usually a mutual fund or insurance company.

(3) Insurance is a significant expense to the University. The main costs are premiums and deductibles that the University has agreed to pay as its share of a loss. As a general rule, the higher the deductible, the lower the premium.

(4) The Corporate Risk and Insurance unit has the sole responsibility for maintaining the insurance program, promoting compliance with terms and conditions of insurance policies, managing the claim process and providing advice and information to the University community. Brokers are currently appointed for a period of three (3) years and are remunerated by annual fees.

Scope

(5) This Policy applies to:

- a. all insurance transactions entered into by the University, with the exception of the two statutory forms of insurance, Workers Compensation and Motor Vehicle Compulsory Third Party (Green Slips);
- b. insurable risks only i.e. risks for which there are insurance products; and
- c. University-controlled entities that have opted to remain insured under the University's umbrella program.

(6) This Policy affects staff and students. Whilst the primary purpose of the insurance program is to protect the assets and liabilities of the University, the program also protects the interests of individuals who are involved in the day-to-day activities of the University.

(7) The Insurable Risk Schedule provides further information about the insurance protections available under the University's insurance program.

Section 2 - Policy

(8) The University will institute an insurance program that will:

- a. sufficiently protect Macquarie University's investments in assets, and its revenue;
- b. provide indemnities against liabilities arising from the conduct of business activities;
- c. indemnify staff, students and others who assist the University;

- d. provide an incentive for effective risk management; and
- e. achieve the best combination of price and coverage.

(9) To ensure that its insurance program responds effectively in the event of a loss, the University will:

- a. act in the utmost good faith towards its providers;
- b. comply with individual policy terms and conditions; and
- c. maximise its recoveries under its insurance policies.

Section 3 - Procedures

(10) Nil.

Section 4 - Guidelines

(11) Nil.

Section 5 - Definitions

(12) Commonly defined terms are located in the University [Glossary](#).

Status and Details

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Effective Date	22nd February 2021
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Responsible Executive	Robin Payne Vice-President, Finance and Resources
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