**FINANCIAL POLICIES AND PROCEDURES**

**SECTION 2: RISK**

**POLICY 4: INSURANCE**

|  |  |
| --- | --- |
| **Policy Rationale** | To minimise and mitigate the impacts of risks on [organisation]’s resources and its ability to fulfil its operational activities, [organisation] will secure sufficient and appropriate insurance cover. |
| **Policy Statement(s)** | [organisation]’s CEO will:1. Ensure sufficient and appropriate insurance cover is in place in order to minimise insurable risk
2. Ensure [organisation]’s insurer(s) meet the credit rating and any other criteria as determined by [organisation]’s Audit, Finance & Risk Committee
3. Review the insurance covers in place annually

[organisation]’s CFO / Finance Manager will:1. Ensure that when new operations are commenced or significant assets are purchased or new leases are entered into, the insurance cover is reviewed and new cover is put in place as may be required.
 |
| **Policy Implementation and Related Procedure Documents** | The implementation and review of the Insurance policies are the responsibility of [organisation]’s Audit, Finance & Risk Committee.[organisation]’s Audit, Finance & Risk Committee are responsible for determining the criteria for which [organisation]’s insurer(s) should meet, e.g. credit ratings, location, accessibility, policy offerings etc.[organisation]’s CEO will ensure that a best practice approach is adopted in regards to insurance cover. [organisation]’s CFO / Finance Manager will ensure that insurance cover requirements are documented in the organisation’s procedures as required.The following [organisation] policies and frameworks should be referred to in this regard:* Risk Management Policy
* Business Continuity Policy
* Legal Advice Policy
* Capital Expenditure Policy
* Travel & Entertainment Policy
* Leasing Policy
 |
| **Legislative Compliance Considerations** | * Companies Constitution [if a Company]
* Companies Act 1993 (for D&O insurance)
* Incorporated Society Rules [if an Incorporated Society]
* Trust Deed [if a Trust]
 |
| **Review Protocol** | Policy Reviewed By: Audit, Finance & Risk CommitteeDate Reviewed: [Date]Next Review Date: [Date]Revokes Policy Reviewed: [Date] |