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Finance Policy: SU Guidelines and Procedures for Insurance Claims

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Policy Curator²:	Chief Director: Finance
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Validity:	In case of differences in interpretation the English version of this policy will be regarded as the valid version.

SU Policies are available at www.sun.ac.za/policies

¹ Policy Owner: Head(s) of Responsibility Centre(s) in which the policy functions.

² Policy Curator: Administrative head of the division responsible for the implementation and maintenance of the policy

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SU GUIDELINES AND PROCEDURES FOR INSURANCE CLAIMS

Purview: The policy contains all information with regard to Stellenbosch University's insurance coverage

Policy:

1. INTRODUCTION

Stellenbosch University (SU) has a comprehensive insurance portfolio at its disposal. The purpose of this is to ensure, as far as reasonably possible, that all insurable risks within SU enjoy adequate coverage.

The portfolio is managed within Finance, by the Funds and Assets Section, in collaboration with SU's insurance brokers who are appointed by means of a formal tender procedure every five years.

In order to ensure effective coverage of all insurable risks, all insurance must be regulated and coordinated by the Funds and Assets Section and no division/section/department may arrange any insurance coverage without approval by the responsible official at the Funds and Assets Section.

2. ASSET INSURANCE

2.1 INSURED ASSETS

2.1.1 SU ASSETS

All SU assets are covered against fire and related hazards by SU's Asset All Risk Insurance Policy.

Assets are only covered if they are recorded on the official asset register of SU, as managed on the central computer system by means of program EBR001P. In order to declare SU's insured assets correctly to the insurers annually, it is essential that the asset register of each department and section be certified annually. Only items that appear in the asset register are insured; any non-asset items that must be insured (e.g. research material and books) may be placed in the asset register under the section Insurable non-asset items (global estimate). The amount for which assets are insured is the replacement value as indicated in the asset register.

If any additional insurance is required, it must be arranged by the Funds and Assets Section. Any premiums payable for this additional insurance are the responsibility of the department, division or section that requested the additional coverage.

2.1.2 BORROWED ASSETS

From time to time SU also insures equipment or other assets that are borrowed from a third party for official purposes. The equipment will only be insured if a formal written agreement exists between SU and the third party. A copy of the agreement must be sent to the responsible official at the Funds and Assets Section, and the following information must appear in the document:

- Detailed description of the assets that are borrowed.
- Replacement value (i.e. the amount for which the assets must be insured) of the assets.
- Period of insurance. PLEASE NOTE: Borrowed assets are only insured as far as they are in the care of SU and specifically an official employee of SU.

2.1.3 ASSETS IN TRANSIT

All SU assets in transit will be covered under the same conditions as when they are used on campus, if they are indicated in the asset register as in transit. The asset is indicated as such by making use of program EBR050P – the procedure is as follow:

- The applicant completes program EBR050P in which an application is made to use an asset for a certain period in a different place than the room/building indicated in the asset register.
- The application is approved or rejected by the head of the environment concerned, or by the person properly authorised by the head, by executing program EBR051P. Please note that if the approval function has been delegated, the delegate's SU number must be given as 'approval' SU number. The program automatically sends an e-mail to the person who must approve the transaction.
- If the final date of the transaction is advanced, program EBR053P is completed.
- Enquiries with regard to assets in transit are made by executing program EBR055P.

2.2 INSURANCE AGAINST THEFT

Environments themselves are responsible for the replacement of stolen items where forced entry is not involved. However, for the record it is still necessary to report such losses to the Funds and Assets Section. This policy applies to office and/or laboratory assets, as well as all assets in transit, and it is therefore important that users see to it that assets within a specific environment are properly secured. Forced entry is defined as follows:

Loss of or damage to the contents (the property of the insured or for which he/she is responsible) of any insured building on the insured premises because of theft (or any attempt to that end) attended by forceful and violent entry into or exit from such building or because of theft (or any attempt to that end) that follows violence or threat of violence.

SU's insurance offers coverage with regard to theft with forced entry even though the assets is not on SU's insured premises, but the user is then expected to make certain that the assets is safe and is indicated on the system as assets in transit (see 2.1.3).

If a theft claim does not comply with the requirements for forced entry but it appears that the theft cannot be ascribed to negligence or if there are special circumstances that must be taken into account, the claim will be referred to the Director: Financial Planning & Budgeting for consideration of payment.

For the complete procedure regarding theft claims, please refer to the downloadable documents on the website of the Funds and Assets.

2.3 SECURING OF LAPTOP COMPUTERS

Laptop computers are an easy target for theft and the risk increases when the assets are transported and used off-campus. Please take note of the following guidelines that were drawn up in collaboration with SU's Information Technology Division:

- (i) The home-use program (EBR050P) must be completed and must be approved by the designated person (EBR051P) before you take the laptop home or use it off-campus.
- (ii) Take care that the laptop information, namely the asset number, description and replacement value, is indicated correctly in the asset register.
- (iii) Take care that the laptop is secured by means of a simple cable lock if you leave it in your office (the lock fits into a special cable lock slot present on all newer laptop computers).
- (iv) Take care that the laptop is carried in a quality carry-bag that protects it against the worst knocks and jars.

- (v) On an aeroplane, always keep the laptop in your hand luggage in your own care.
- (vi) Never leave the laptop unattended in a car and lock it up in the boot.

3. VEHICLE FLEET AND RENTED VEHICLE INSURANCE

3.1 INSURED VEHICLES

- Departmental/division/section vehicles that are controlled by the US Vehicle Fleet.
- Loan/sponsor vehicles for which special arrangements have been made with the Funds and Assets Section.
- All vehicles that are booked by the US Vehicle Fleet.
- All rented vehicles from SU's official service providers that are booked by SU's purchase system.

3.2 GENERAL CONDITIONS OF INSURANCE

- The driver of the vehicle must be in possession of a valid driver's licence, at least one year old, and be able to produce it on request.
- Vehicles are only insured as far as they are used for official purposes. No vehicle is insured by SU if it is employed for private purposes.

3.3 EXTENT OF COVERAGE

Vehicles are covered against damage to the vehicle because of collisions, damage to windshields, theft of the vehicle, break-ins at the vehicle, as well as any liability that specifically applies. It also includes any claims that arise when cars that are insured by SU cause damage to any property belonging to a third party.

3.4 DRIVER AND PASSENGER LIABILITY

SU's car insurance only applies when the University's insured vehicles are employed as listed in Point 4.1

3.4.1 DRIVER LIABILITY

Payment by the insurance can be refused if it is found that one or more of the following circumstances (which are not exhaustive) have occasioned the liability:

The driver:

- (i) Does not have a valid driver's licence.
- (ii) Drove the vehicle in a reckless or negligent manner.
- (iii) Broke any of the laws of the country.
- (iv) Was under the influence of alcohol or some other intoxicant.
- (v) Did not drive the vehicle in executing his/her employer's orders and in the employer's service.

Drivers who break the laws of the country are themselves responsible for any fines that may be imposed on them.

3.4.2 PASSENGER LIABILITY

If the driver is involved in an accident and some of the passengers or other third parties are injured and negligence on the side of the driver cannot be proven, a claim cannot be brought against him/her.

However, if negligence can be proven on the side of the driver, a claim may be brought as follows:

ROAD ACCIDENT FUND (RAF)

The following amendments were done on 1 August 2008 on the RAF:

- The fault-based system was kept – the injured party must proof liability of other party.
- RAF remuneration levels were reduced. Medical expenses are paid according to public health tariffs except for emergency medical expenses that could be higher.
- Loss of income, is limited to R160 000 per year. Loss of supporting claims by dependents is also limited to R160 000 per year for the loss of the sole provider. The limits will escalate on a quarterly base for inflation purposes and will be published in the Government Gazette.
- General aches and pains will be limited to that that occur due to serious injuries and will be assessed by an applicable medical practitioner according to the circumstances.
- Injured members of the same household as the driver will no longer be excluded for remuneration.
- Remuneration for secondary shock by eyewitnesses and relatives will no longer be provided by the fund, but can strive there after by means of the common law.
- The statutory limits if recovery out of the common law against drivers, the employees or vehicle owners was kept (except when the fund is no longer able to pay any remuneration amounts).
- The remuneration limit of R25 000 for certain categories of passengers no longer exists.
- Party costs and legal cost are no longer bargained at remuneration settlements as arranged by the fund. It will have to be determined by a court.
- Under certain conditions the RAF may recover its costs from the driver or owner of the vehicle, for example in case of:
 - a. An unlicensed driver.
 - b. Driving under the influence of alcohol or drugs.
 - c. A false statement with regard to the accident to the RAF.
 - d. Failure to inform the RAF of the accident within 14 days if injuries are involved.

For the complete procedures regarding the report of vehicle fleet claims and rental motor claims, please refer to the downloadable document on the website of the Department of Funds and Assets.

4. STUDENT AND THIRD-PARTY CLAIMS

Any incident or event in which a third party or student and/or his/her property suffered injury or damage and that may lead to an insurance claim must be reported immediately to the Risk and Protection Services Section. The responsible official at the Funds and Assets Section must be notified thereafter of the incident. All correspondence with regard to the incident must also be referred to the responsible official.

The responsible official at the Funds and Assets Section shall refer all claims to the insurers. Only after the claim was rejected by the insurers or when it falls within the excess amount, the claim can be considered for pay out by the SU according to the judgement of the authorised persons/bodies as mentioned hereunder.

All claims up to R100 000 can be authorised by the Director: Financial Planning & Budgeting or by the Chief Director: Finance. Claims between R100 001 and R500 000 can be authorised by the Executive Director: Operations and Finance. Claims exceeding R500 000 must be submitted to the Rectors' Management Committee.

For the complete procedures regarding the report student and third party claims, please refer to the downloadable document on the website of the Department of Funds and Assets.

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