

## Alliance of Schools for Cooperative Insurance Programs (ASCIP)

Policy 3.7  Risk Management Deposit Fund Policy	Executive Committee Approval:  4/28/16
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### Risk Management Deposit Fund

The purpose of the Risk Management Deposit Fund (RMDF) is to provide members with an option to defer receipt of ASCIP equity distributions and premium refunds. This program allows members to leave funds in ASCIP's custody which the member foresees will likely be needed to pay for future expenses related to risk management, loss control, safety, training & education, insurance or other services and activities.

Specific requirements for the RMDF are:

1. ASCIP is the exclusive source of funds eligible for deposit into the RMDF.
2. A member may defer receipt of funds to the RMDF upon written instruction by a senior district administrator (Superintendent, Chancellor, Deputy Supt., CBO, etc.) and acceptance of the deferral requires approval by the ASCIP Executive Committee.
3. ASCIP will establish an accounting liability for funds placed in the RMDF and credit interest to each account at the prevailing rate earned by ASCIP in its regular investment portfolio. Interest will be calculated and posted quarterly to the member's account.
4. Members may withdraw any available amount from their individual accounts by completing and submitting to ASCIP the "Request for Release/Disbursement of Risk Management Deposit Funds". Disbursements will be made payable only to the member agency. Requests for disbursement may be made only by the member's designated ASCIP contact or the member's most senior administrative officer (i.e., District Superintendent, Community College Chancellor, etc.). Disbursement requests above \$25,000 shall require two signatures: the member's designated ASCIP contact and the member's most senior administrative officer (i.e., District Superintendent, Community College Chancellor, etc.).
5. A member's total amount held within the RMDF may not exceed the member's prior year's annual premiums paid to ASCIP.
6. ASCIP will provide members with a quarterly statement of beginning and ending fund balance and reconciling transactions. The statement will be provided to ASCIP's designated primary member contact as well as the member's chief financial officer (or equivalent).
7. The ASCIP CFO will provide a detailed annual report to the ASCIP Executive Committee of participating members and their respective balances.