



Policy Chapter: Chapter 15 Risk Management

Policy Number and Title: 15.007 Insurance

I. Policy Statement

Insurance is a basic risk financing technique for managing risk. The University of North Texas (UNT) purchases insurance to manage certain risk exposures to personnel and property.

II. Application of Policy

Total University.

III. Policy Responsibilities

A. General Appropriations Act

The General Appropriations Act does not allow general appropriations to be expended for purchasing insurance to cover claims that may arise under the [Texas Tort Claims Act](#). However, the Act provides that a state agency may purchase director's or officer's liability insurance with appropriated funds for the agency's appointed commission or board members and executive management staff. The State of Texas generally is considered "self-insured" for most risk exposures. However, the University may use funding sources other than general appropriations to purchase insurance.

B. University Auto Liability Insurance

[Chapter 612 of the Government Code](#), allows liability insurance coverage to be purchased for University officers and employees covering liability arising from the use and operation of university-owned motor vehicles. Premiums for auto insurance coverage may be paid from State funds.

C. State Employee Workers' Compensation Program

[Chapter 501 of the Labor Code](#), specifies the state is self-insuring with respect to injuries sustained by employees in the course of their employment. State employees who sustain a compensable injury or occupational disease arising out of and in the course and scope of their employment are provided with workers' compensation coverage through the State Office of Risk Management.

D. Other Insurance

The University may purchase insurance, in accordance with state law, for various exposures to loss. The insurance may be purchased to meet contractual obligations, satisfy bond requirements, or provide other risk financing or risk transfer needs of the University.

E. Responsibility

1. The Director, Insurance and Claims has the responsibility for advising the University regarding insurance, centralizing all insurance contracts purchased by the University, and managing the workers' compensation and other major insurance programs.

Insurance purchased for University exposures must be reviewed and approved by the University's Risk Manager.

2. The Director, Insurance and Claims continually assesses risks associated with University operations to determine appropriate coverages, limits of liability, deductible, and insurance carriers. The Director, Insurance and Claims works with the agency providing insurance services to the University for underwriting data including the following: loss history; valuation of property and contents; business interruption and extra expense valuations; machinery breakdown coverage; crime coverage; director's and officer's coverage; employment practices liability; medical malpractice coverage; EDP coverage; events coverage; business automobile and RV coverage; medical/accident coverage for athletes and cheerleaders; coverage for towers and antennas; cyber liability coverage; coverage for exposures arising out of international operations and travel; Student Health Insurance; and other coverage including: camps, various equipment floaters, etc.

IV. References and Cross-References

[Texas Government Code, Chapter 612](#)

[Texas Labor Code, Chapter 501](#)

[Texas Tort Claims Act](#)

V. Revision History

Policy Contact:	Director, Insurance and Claims
Approved Date:	08/1988
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