



University of Toronto

OFFICE OF THE VICE PRESIDENT, BUSINESS AFFAIRS - FINANCE

TO: Audit Committee and Business Board

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DATE: for May 28, 2008 and June 19, 2008

AGENDA ITEM: **Business Board Item 8**

ITEM IDENTIFICATION: Risk Management and Insurance Annual Report 2008

JURISDICTIONAL INFORMATION:

The Audit Committee of the Business Board is charged with monitoring the University's risk exposures. The Business Board terms of reference call for regular information reports on financial matters.

PREVIOUS ACTION TAKEN:

The Audit Committee and Business Board reviewed the 2006 report.

HIGHLIGHTS:

The University has a comprehensive insurance program in place with quality insurers and service providers. We strive for stable, long term relationships on a fair basis in terms of pricing and scope of coverage. Our strategic aim is to reduce losses and to contain controllable risks within acceptable parameters through vigilance and good risk management practice.

During 2007-08, the University obtained property and liability coverage through the Canadian Universities Reciprocal Insurance Exchange (CURIE) to December 31, 2007 and through commercial insurers beginning January 1, 2008. The University self-insures below the property deductible of \$250,000 and has a self-insurance reserve in place to pay those claims. Departments are responsible for the first \$2,500 of each claim. There are a number of other coverages in place, such as vehicle fleet and boiler and machinery, which were purchased through the commercial markets.

There are a number of policies and the experience with each policy is shown in the report. Our claims experience overall is very good. Details are shown in the paper.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

RECOMMENDATION: For information.