
UCLA Procedure 300.4: Fine Arts and Collections Insurance

Issuing Officer: Associate Vice Chancellor, Business & Financial Services
Responsible Dept: Office of Insurance and Risk Management
Effective Date: July 1, 1998
Supersedes: UCLA Procedure 130.5, dated 5/1/79

I. REFERENCES

II. DESCRIPTION OF COVERAGE

III. PROCEDURES

I. REFERENCES

1. UCLA Policy 300, University Insurance and Risk Management;
2. UC Business and Finance Bulletin BUS-1, Fine Arts Insurance Program;
3. Commercial Fine Arts and Collections Insurance Policy.

II. DESCRIPTION OF COVERAGE

The University maintains insurance policies for fine arts and collections (see definitions below). Only University owned art or art officially on loan to the University is eligible for coverage. Outlined below are the currently available coverages under these two policies and procedures necessary for the department to initiate requests for insurance coverage when needed. All requests for coverage are subject to security review by the Office of Insurance and Risk Management.

A. Definitions

Fine Arts: Works of art, paintings, etchings, pictures, statuary, tapestries, and other bona fide works of art which have rare or historical value, or artistic merit on temporary exhibit.

Permanent Collections: Works of art, paintings, etchings, pictures, statuary, tapestries, and other bona fide works of art which have rare or historical value, or artistic merit permanently on display at one location. (A collection is considered permanent if the University has it for a year or more.) A collection may consist of one or more pieces of art.

Domestic Exhibits: Fine Arts temporarily on display at locations inside the continental United States and Canada.

Foreign Exhibits: Fine Arts which require coverage outside the continental United States and Canada. World wide except for the following countries: Albania, Bulgaria, Czech Republic, Slovakia, Hungary, Poland, Romania, and the states of the former Soviet Union.

B. Coverage

The University's policy covers all risks of physical loss or damage from any external cause except as excluded below:

1. Damage due to and resulting from any repairing, restoration or retouching process.
2. Breakage of glass but not resulting damage.

C. Premium Rates

All items must be insured for their full value.

D. Deductibles

1. Permanent Collections: \$500 per occurrence.
2. Domestic Exhibits: \$500 per occurrence.
3. Foreign Exhibits: to be negotiated for each exhibit.

E. Territorial Limits for Coverage

1. Coverage for Permanent Collections and Domestic Exhibits is provided on location and in transit within the continental United States and Canada.
2. Coverage for Foreign Exhibits is provided when special exhibits originate or are exhibited outside the continental United States and Canada.

F. Policy Periods

1. Domestic Exhibits: Quarterly; renewable upon request.
2. Permanent Collections: Annually; renewable upon request.

III. PROCEDURES**A. Securing Insurance Coverage**

1. Fine Arts

RESPONSIBILITY	ACTION
Department Head	Submits memorandum to the Office of Insurance and Risk Management indicating intent to display Fine Art, location and manner in which art will be displayed, security precautions which will be in effect, value of exhibit, approximate length of time exhibit will be displayed.
	Provides the Office of Insurance and Risk Management with a retroactive quarterly "Fine Arts Exposure List" (available from the Office of Insurance and Risk Management), which should include exhibitions covered during that calendar month.
	If the value of the exhibit exceeds the location limits (UCLA Art Gallery - \$1,500,000; any other campus building – \$250,000), submits a written request to the Office of Insurance and Risk Management for approval to exceed limitations one month prior to the time coverage is required.
Office of Insurance and Risk Management	Notifies department head when request has been approved by the insurance underwriter.
Office of the President	Bills the Department directly for the premium. Presently the rate is 21 cents per hundred dollars for the Permanent Collection.

2. Collections

RESPONSIBILITY	ACTION
Department Head	<p>Submits in writing, to the Office of Insurance and Risk Management, a request for insurance coverage which should include the following information:</p> <ul style="list-style-type: none"> • Department requesting insurance. • Name of the collection to be insured. • Per item inventory of collection, including name and type of property (painting, sculpture, book, etc.) and value of each item. • Total value of collection. • Owner: person(s) or organization(s) to be named on the endorsement. • University account name and number to be charged insurance premium. • Requested effective date of insurance. • Location of collection. • Security precautions.
Office of Insurance and Risk Management	Notifies department head of insurance premium to be charged to department account.

B. Submitting Claims for Damage or Loss

RESPONSIBILITY	ACTION
Department Head	Contacts UCLA Police Department or Fire Department, as appropriate, when loss occurs and preserves damaged property if possible.
Department Head	Completes "Personal Property Loss or Damage Report" (available from the Office of Insurance and Risk Management) and submits to same as soon as possible.
Office of Insurance and Risk Management	Reviews form and supporting documents and forwards within 60 days to Systemwide Claims Manager with copy to the University Broker of Record. Insurance Broker assigns an insurance adjuster who contacts the University for information, etc.
Systemwide Claims Manager	Sends check or draft to Office of Insurance and Risk Management upon settlement of the claim.
Office of Insurance and Risk Management	Reviews and forwards check/draft to department.

Note: In no event will any loss be funded if reported later than twelve months from the date of occurrence.

Issuing Officer

/s/ Sam J. Morabito

**Associate Vice Chancellor, Business &
Financial Services**

**Questions concerning this policy or procedure should be referred to
the Responsible Department listed at the top of this document.**
