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BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

ADOPTED
BOARD OF TRUSTEES OF
COMMUNITY COLLEGE DISTRICT NO. 508

AUG 6 1998

COUNTY OF COOK
AND STATE OF ILLINOIS

PROPERTY AND CASUALTY INSURANCE COVERAGE
& THIRD PARTY ADMINISTRATION SERVICES
ALL COLLEGES AND DISTRICT OFFICE
[Amend Board Report #20094 dated 8-7-1997]

THE CHANCELLOR

REPORTS

that the District needs to obtain property and casualty insurance coverage and Third Party Administration services for controlling liability and for the processing and handling of claims; and

that in Board Report No. 20094 approved 8-7-1997, the Board authorized Near North Insurance Brokerage, Inc., Chicago, to provide insurance brokerage on an annual basis, and Third Party Administration services for a three-year period ending on August 31, 2000; and

that the District's existing insurance policies will expire on August 31, 1998; and that Near North researched the insurance market and obtained the following quotations for the renewal of the current insurance policies which reflect a 3% savings when compared to last year's costs:

COVERAGE/CARRIER BEST'S RATING/FIN. SIZE	COVERAGE LIMIT/ DEDUCTIBLE	ANNUAL COST
Property Content Chubb A++, XV	\$128,160,185 / \$10,000	\$ 38,416
Excess Worker Comp. AIG A++, XV	Statutory / \$250,000SIR	\$ 13,840
Excess General Liability Chubb Insurance A++, XV	\$1,000,000 / \$50,000SIR	\$ 42,000
Foreign W.C. & Defense Base Act Coverage Chubb A++, XV	Statutory / \$0	\$ 9,595
Automobile Chubb A++, XV	\$1,000,000 / \$1,000	\$ 18,900
Catastrophe [Umbrella] Chubb A++, XV	\$10,000,000 / \$10,000SIR	\$22,000
Crime [Fidelity] Illinois National A++, XV	\$5,000,000 / \$25,000	\$12,690
Treasurer's Bond Illinois National & Others Min: -A, VIII	\$151,000,000 / \$0	\$115,676

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COVERAGE/CARRIER BEST'S RATING/FIN. SIZE	COVERAGE LIMIT/ DEDUCTIBLE	ANNUAL COST
Excess Officers-Directors National Union Ins. Co. A++, XV	\$5,000,000 / \$100,000	\$36,570
Broadcasters - E&O American International A++, XV	\$1,000,000 / \$5,000	\$2,000
Excess Student Sports CNA A, XV	\$10,000,000 / \$25,000	\$12,793 (for 13 months)
Student Professional Ins. Chicago Insurance A, VIII	\$3,000,000 / \$0	\$ 56,508
General Liability and Worker's Compensation Claim Oversight		\$ 5,000
Third Party Administration [Based on 3-year schedule in the proposal dated 7-8-97]		\$ 17,280
TOTAL ONE YEAR (Except as noted)		\$402,468

that Near North Insurance Brokerage, Inc., is in compliance with District M/WBE requirements.

RECOMMENDS that the Board of Trustees approves the issuance of a purchase order in the total amount of \$402,468.00 to Near North Insurance Brokerage, Inc., Chicago, for all insurance coverages, Third Party Administration services, and oversight of General Liability and Worker's Compensation claims from September 1, 1998 through August 31, 1999, all in accordance with the quotation dated 7-10-1998, the terms and conditions of the RFP dated 6-6-1997 and the proposal dated 7-8-1997 .

that the Board of the Trustees approves the issuance of purchase orders on an as-needed basis to Crawford, Inc., Schaumburg, for the payment of claims in Worker's Compensation and General Liability matters.

FINANCIAL \$402,468.00 -- Liability, Protection & Settlement Fund

Respectfully submitted:

Wayne D. Watson
Chancellor

August 6, 1998