

AUG 5 - 1999

COUNTY OF COOK
AND STATE OF ILLINOIS

RENEW PROPERTY AND CASUALTY INSURANCE COVERAGE
& THIRD PARTY ADMINISTRATION SERVICES
ALL COLLEGES AND DISTRICT OFFICE
[Amend Board Reports #20094 dated 8-7-1997 and #20814 dated 8-6-1998]

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 #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 in Board Report #20814 dated 8-6-1998, the Board renewed property and casualty insurance coverages for one year; and

that the District's existing insurance policies will expire on August 31, 1999; and that Near North researched the insurance market and obtained the following quotations for the renewal of the current insurance policies:

COVERAGE/CARRIER BEST'S RATING/FIN. SIZE	COVERAGE LIMIT/ DEDUCTIBLE	ANNUAL COST
Property Content Chubb A++, XV	\$137,484,980 / \$10,000	\$39,540
Excess Worker Comp. AIG A++, XV	Statutory / \$250,000SIR	\$14,420
Excess General Liability Chubb Insurance A++, XV	\$1,000,000 / \$50,000SIR	\$43,500
Foreign W.C. & Defense Base Act Coverage Chubb A++, XV	Statutory / \$0	\$10,092
Automobile Chubb A++, XV	\$1,000,000 / \$1,000	\$19,475
Catastrophe [Umbrella] Chubb A++, XV	\$10,000,000 / \$10,000SIR	\$23,500
Crime [Fidelity] Illinois National A++, XV	\$5,000,000 / \$25,000	\$12,901
Treasurer's Bond Illinois National & Others Min: -A, VIII	\$151,000.00 / \$0	\$117,503

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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	\$43,884
Broadcasters - E&O American International A++, XV	\$1,000,000 / \$5,000	\$2,066
Excess Student Sports CNA A, XV	\$10,000,000 / \$25,000	\$14,076
Student Professional Ins. Chicago Insurance A, VIII	\$3,000,000 / \$0	\$41,718
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)		\$404,955

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

RECOMMENDS that the Board of Trustees approves the issuance of a purchase order in the total amount of \$404,955.00 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, 1999 through August 31, 2000, all in accordance with the quotation dated 7-20-1999, 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 Workers Compensation and General Liability matters.

FINANCIAL \$404,955.00 -- Liability, Protection & Settlement Fund

Respectfully submitted:

Wayne D. Watson
Chancellor

August 5, 1999