

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

PROPERTY AND CASUALTY INSURANCE COVERAGE
& THIRD PARTY ADMINISTRATION SERVICES
ALL COLLEGES AND DISTRICT OFFICE
(Amend Board Report 22298 Dated November 2, 2000)

THE CHANCELLOR

REPORTS

that in Board Report 22298 dated November 2, 2000 the Board approved the agreement with Near North Insurance Brokerage, Inc., Chicago, IL to provide insurance brokerage and Third Party Administration services for a one-year period effective November 3, 2000 through November 2, 2001 on an as-needed basis for current and future cases for a total amount of \$427,339.00; and

that the Third Party Administration services were approved based on a one year claim handling program for a total cost of \$31,290 per year; our current claims experience shows that claims are typically taking more than one year to complete processing; for this reason, staff recommends amending our current TPA coverage to include the lifetime claim handling program, which was proposed by Near North for a total cost of \$55,570 per year; this change will improve our overall claims management program and is recommended at this time.

THE CHANCELLOR

RECOMMENDS

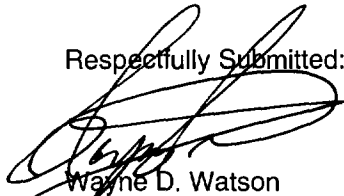
that the Board of Trustees authorizes an agreement with Near North Insurance Brokerage, Inc., Chicago, IL to provide Third Party Administration services with life time claims handling for a total additional cost of \$24,280.00, effective November 3, 2000 through November 2, 2001 on an as-needed basis for current and future cases; and

that insurance coverages for one year from November 3, 2000 through November 2, 2001 are awarded to Near North insurance Brokerage, Inc., Chicago in the revised total amount of \$451,619.00.

FINANCIAL

Revised Total - \$451,619.00 - Unrestricted - Liability & Protection Fund

Respectfully Submitted:



Wayne D. Watson
Chancellor