

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

THE CHANCELLOR

REPORTS

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

that Arthur J. Gallagher Risk Management Services, Inc. (Gallagher) is the Broker of Record for CCC and has marketed and secured the following coverages which required renewal as of November 3, 2002:

Coverage/Carrier	Coverage Limit/Deductible	Annual Cost
Excess Worker Comp. /Safety National	Statutory / \$250,000	\$50,601.00
Crime [Fidelity]/Travelers	\$5,000,000 / \$25,000	\$24,460.00
Treasurers Bond	\$100,000,000 / \$0	\$100,995.00
Excess Officers-Directors/AIG	\$5,000,000 / \$250,000	\$72,000.00
Broadcasters Errors & Omissions/AIG	\$1,000,000 / \$25,000	\$6,250.00
Excess Student Sports (Intercollegiate & Intramural)/Mutual of Omaha	\$5,000,000 / \$0	\$13,290.00
Student Malpractice/CNA	\$3,000,000 / \$0	\$24,652.00
TOTAL		\$292,248.00

that the following five additional coverages expire on January 3, 2003: 1) Property Content, 2) Excess General Liability, 3) Foreign Worker Comp., 4) Automobile, and 5) Catastrophe (Umbrella); Gallagher is in the process of receiving quotations for these coverages and the results of these quotations will be presented to the Board for approval in January, as well as the recommendation for the Third Party Administration program; in the interim, Crawford & Co. is continuing to provide Third Party Administration services; and

that this purchase of insurance is exempt from the District's competitive bidding process.

THE CHANCELLOR

RECOMMENDS

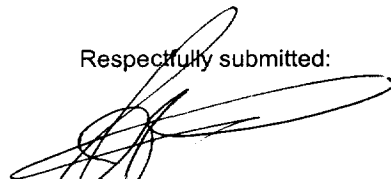
that the Board of Trustees approves the insurance coverages listed above for one year from November 3, 2002 through November 2, 2003 in the total amount of \$292,248.00 through Arthur J. Gallagher Risk Management Services, Inc. Chicago.

FINANCIAL

\$292,248.00 - Unrestricted-Liability & Protection Fund - 0005029

Fund 05001

Respectfully submitted:

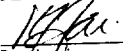
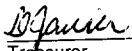
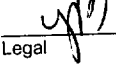

Wayne D. Watson
Chancellor

SB 0488

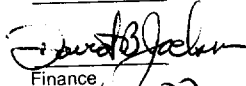
December 6, 2002

COLLEGE REVIEW: _____ REQN.# _____
President

CENTRAL OFFICE REVIEWS & DATES SIGNED:

 Purchasing _____
Date 11-25-02
 Treasurer _____
 Legal _____
Board Office _____

Admin. Svcs. _____
Date _____
Academic Aff. _____
HR _____


Finance
25-Nov-02

OIT _____ Date _____