

**29159**  
**ADOPTED - BOARD OF TRUSTEES**  
**COMMUNITY COLLEGE DISTRICT NO. 508**  
**DECEMBER 2, 2008**

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

**WORKERS' COMPENSATION PREMIUM AUDIT**  
**FOR ALL COLLEGES AND DISTRICT OFFICE**

THE CHANCELLOR

REPORTS

that the District procures an Excess Workers' Compensation Commercial Insurance Policy to insure certain Workers' Compensation exposures above a Retention Program of \$400,000; and

that the Board of Trustees authorized payment to Arthur J. Gallagher & Co. for Premiums due to various Carriers, inclusive of the Workers' Compensation exposure in accordance with Board Report Number 29087, adopted November 6, 2008; and

that the industry practice is to conduct an Annual Audit for the Policy Period to compare Actual Payroll against the Projected Payroll submitted at the time of application to the Carrier; and

that Safety National Casualty Corporation conducted such an Annual Audit and determined the Actual Payroll warrants additional Premium for the period November 15, 2006 through November 15, 2007 in the amount of \$4,368.00; and

that the Board of Trustees has previously approved payment to Arthur J. Gallagher and Company in excess of \$10,000 for the current policy period and therefore, consistent with Board rules, the additional Premium requires Board approval; and

the Office of Contract Compliance has reviewed the above referenced worker's compensation premium audit and has determined that Arthur J. Gallagher & Co through the utilization of Lambert Risk Management Services, Inc. a certified MBE and Risk Management & Information Systems a certified WBE, as direct subcontractors, Arthur J. Gallagher & Co. is in compliance with the Board approved Participation Plan.

THE CHANCELLOR

RECOMMENDS that the Board of Trustees approve the payment to Arthur J. Gallagher & Co in the amount of \$4,368.00 for the above referenced purpose.

FINANCIAL \$4,368.00 – Liability & Protection Fund 05001-0022502-00086-01000-533110

Respectfully submitted:

Wayne D. Watson  
Chancellor

December 2, 2008 – Risk Management