

29899

**ADOPTED - BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
DECEMBER 3, 2009**

**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 \$425,000; 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 29826, adopted November 2, 2009; 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, 2007 through November 15, 2008 in the amount of \$5,612.00; 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 M/WBE Contract Compliance has reviewed the above referenced audit opportunity and has determined that Arthur J. Gallagher & Co. is in compliance with our Board approved Participation Plan. Lambent Risk Management Services, Inc. serves as the Certified MBE Vendor Partner (28% participation) and Risk Management & Information Systems serves as the Certified WBE Partner (7% participation).

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees approves the payment to Arthur J. Gallagher & Co in the amount of \$5,612.00 for the above referenced purpose.

FINANCIAL

\$5,612.00 – Liability & Protection Fund – 05001-0025010-00086-01000-522100

Respectfully submitted,

Deidra J. Lewis
Interim Chancellor