

**30984**

**ADOPTED- BOARD OF TRUSTEES COMMUNITY  
COLLEGE DISTRICT NO. 508  
MAY 12, 2011**

**BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT No. 508  
COUNTY OF COOK AND STATE OF ILLINOIS**

**BROKER INSURANCE SERVICES AGREEMENT  
ARTHUR J. GALLAGHER & CO.  
RENEWAL OPTION**

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chairman to exercise the second and final option to renew the agreement with Arthur J. Gallagher & Co. to provide broker insurance services for an additional one year period from July 1, 2011 through June 30, 2012 at a total cost not to exceed \$114,400.

**VENDOR:** Arthur J. Gallagher & Co.  
The Gallagher Centre  
Two Pierce Place  
Itasca, IL 60143

**USER:** District Wide

**ORIGINAL TERM:**

The original term of the agreement commenced on July 1, 2007 and ended on June 30, 2010.

**OPTION/RENEWAL TERMS:**

The first renewal term commenced on July 1, 2010 and shall end on June 30, 2011. The second renewal term will commence on July 1, 2011 and shall end on June 30, 2012.

**SCOPE OF SERVICES:**

Arthur J. Gallagher & Co. (Gallagher) was selected by a Request for Proposal process and approved by the Board of Trustees as the broker of record for City Colleges of Chicago (CCC) on June 20, 2007 (Board Report 28103). Services include facilitating the solicitation of competitive insurance premium quotations, the placement of various commercial insurance policies to insure certain risks facing the District in its operations and the delivery of risk management administrative services designed to enhance the Office of Risk Management operations.

**BENEFIT TO CITY COLLEGES OF CHICAGO:**

Utilizing the broker insurance services of Arthur J. Gallagher for the District will yield premium savings for the District for each of the renewal opportunities in November of each year.

**VENDOR SELECTION CRITERIA:**

On February 14, 2007, the District issued a Request for Proposal (RFP) soliciting responses from qualified insurance brokerage firms to provide a full range of insurance related services. Solicitations were offered via direct mail to a number of qualified brokers. District Staff

conducted a pre-proposal conference on February 21, 2007. On March 9, 2007, the District received six qualifying proposals from Aon Risk Services, Arthur J. Gallagher & Co., Kaercher/Campbell & Associates, The Owens Group, USI and Willis Group Limited. The staff evaluated all proposals and based upon the scoring and oral presentations, Arthur J. Gallagher & Co. was selected.

**MBE/WBE COMPLIANCE:**

The Office of M/WBE Contract Compliance has reviewed the renewal option and Arthur J. Gallagher & Co., subcontracting with Lambent Risk Management Services, Inc. as its MBE provider and Risk Management & Information Systems as its WBE provider remains in compliance with the Board Approved Participation Plan.

**MBE Vendor:** Lambent Risk Management Services, Inc. City Certification  
One North LaSalle Street, Suite 1130  
Chicago, IL 60602

**WBE Vendor:** Risk Management & Information Services City Certification  
151 N Michigan  
Chicago, Illinois 60602

**GENERAL CONDITIONS:**

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article II, Section 2.6.4(b) of the Board Rules for Management and Government.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

**FINANCIAL:**

Total not to exceed \$114,400 for the contract term.

**Charge To:** Department of Risk Management

**Source of Funds:** Liability Protection and Settlement Fund

Unrestricted Fund

FY12: 05001-0025010-80000-01000-000000000-530000: \$114,400

**Respectfully submitted,**

**Cheryl L. Hyman  
Chancellor**

**May 12, 2011 - Office of Risk Management**