

34953
ADOPTED-BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
NOVEMBER 2, 2023

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

PLACEMENT OF COMMERCIAL INSURANCE POLICIES
MESIROW INSURANCE SERVICES, INC. AND VARIOUS INSURANCE CARRIERS
THE OFFICE OF RISK MANAGEMENT
DISTRICT WIDE

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair, upon final approval of the General Counsel of the Policy forms, to procure commercial insurance policies brokered through Mesirow Insurance Services, Inc. at the recited limits and deductible/retention levels expressed below, for the period from November 15, 2023 through November 15, 2024, at a total cost not to exceed \$2,171,780.

VENDORS: Mesirow Insurance Services, Inc. (Broker) and Various Insurance Carriers (see next page)
353 N. Clark Street
Chicago, Illinois 60654

USER: District Wide

ORIGINAL TERM (Mesirow Insurance Services, Inc.):

The term of the underlying Agreement with Mesirow Insurance Services, Inc. commenced on July 1, 2021 and shall expire June 30, 2024, pursuant to Board Report #34259 adopted by the Board of Trustees on June 3, 2021.

POLICY PLACEMENTS (INSURANCE CARRIERS):

The current placement for the commercial insurance policies brokered by Mesirow Insurance Services, Inc. commenced on November 15, 2022 and shall expire on November 15, 2023.

SCOPE OF SERVICES:

Mesirow Insurance Services, Inc. facilitates the solicitation of competitive insurance premium quotations and the placement of various commercial insurance policies to insure against 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. The insurance carriers will provide various commercial insurance policies to the District as listed below.

VENDOR SELECTION CRITERIA:

Specifications were prepared by District Procurement Staff and a Request for Proposal (RFP) #SH2103 was publicly advertised on March 10, 2021. In addition, twenty (20) companies were contacted directly via e-mail. Two (2) firms responded to the RFP on April 9, 2021: 1) Alliant/Mesirow Insurance Services, Inc. and 2) The Owens Group.

All qualifications were reviewed, evaluated, and ranked by staff which included the Office of Finance, Office of Administrative Services, Office of Human Resources, the Office of the General Counsel the Office of Risk Management, the Office of Administrative and Procurement Services and the Office of M/WBE Contract Compliance.

The Board of Trustees adopted the Evaluation Committee Recommendation under Board Report 34259 on June 3, 2021.

The Office of Risk Management, together with Mesirow Insurance Services, Inc. and the MBE/WBE partners, engaged in a plan to aggressively market the District's Insurance Portfolio and solicit competitive quotations from various insurance carriers known to meet the District's criteria with respect to financial stability and service resulting in the following premium quotations for the period from November 15, 2023, through November 15, 2024. In each instance, the recommended Insurance Carrier submitted the lowest and most competitive renewal premium quotation.

CITY COLLEGES OF CHICAGO COMMERCIAL INSURANCE PORTFOLIO RENEWAL				
Coverage	Carrier	Limits	Deductible/Retention	Annual Premium November 2023
General Liability	United Educators	\$1,000,000 Occurrence \$3,000,000 Aggregate	\$250,000	\$221,406
Excess Liability	United Educators	\$15,000,000	\$1,000,000	\$301,247
Property (RE, Contents, Boiler & Machinery)	Affiliated FM	\$500,000,000	\$25,000	\$855,375
Commercial Auto (Physical Damage) (1)	Starr	Scheduled Vehicles (83)	\$2,500/\$5,000	\$98,397
Environmental (2)	n/a	\$5,000,000	\$25,000	n/a
Builders Risk Policy (3)	n/a	\$50,000,000	\$5,000/\$25,000	n/a
Excess Work Comp	Arch Insurance Group	Statutory/\$1,000,000	\$600,000	\$108,897
Work Comp Premium Audit (4)	Arch Insurance Group	n/a	n/a	\$0
Educators Legal Liability (inc. D & O)	United Educators	D & O \$10,000,000 Employment \$5,000,000	\$250,000 \$250,000	\$249,383
Fiduciary Liability	Hudson Insurance Co.	\$5,000,000	\$50,000	\$15,667
Employed Lawyers	Chubb	\$1,000,000	\$25,000	\$7,463
Blanket Fidelity	Hartford	\$5,000,000	\$50,000	\$16,131
Treasurer's Bond	Liberty Mutual	\$25,000,000	\$0	\$13,750
Cyber & Multimedia (5)	AXIS	\$5,000,000	\$500,000	\$231,571
Student Malpractice	CNA	\$1,000,000 Occurrence \$3,000,000 Aggregate	\$0	\$16,856
Athletics	Liberty Mutual	\$5,000,000 Occurrence \$10,000,000 Aggregate	\$25,000	\$28,000
Student Accident Health	CCC Self-Insured Plan	\$10,000	\$0	n/a
Foreign Package	ACE/American Ins. Co.	\$1,000,000	\$1,000	\$2,500
Surety Bond (CDL Program)	Fidelity & Deposit Co.	\$40,000	\$0	\$290
Liquor Liability (Washburne) (6)	n/a	\$1,000,000	\$0	n/a
CCC Foundation D & O Liability (7)	Travelers	\$3,000,000	\$0	\$4,848
TOTAL				\$2,171,780
Less Credits held by Mesirow Insurance Services, Inc.				\$4,362
Net Due at Renewal				\$2,167,418
(1) Denotes establishment of 2-Tiered Deductible at \$2,500 (passenger vehicles) & \$5,000 (trucks)				
(2) Applied to previous Capital Projects at OHC & DC				
(3) Applied to pervious Capital Projects at OHC & DC				
(4) Denotes Estimate due to Audit occurring in January 2024				
(5) Denotes reduction in Retention from \$1mil. to \$500,000				
(6) Policy unnecessary this cycle due to curtailing of Washburne Culinary Institute retail operations				
(7) Policy is paid from CCC Foundation resources & reflects an increase in Policy Limit (original \$1mil.to \$2mil. to \$5mil. for 7/1/23 renewal)				
*** The District has earned a 6% Premium Credit extended by United Educators in recognition of various proactive CCC Risk Management initiatives				

BENEFIT TO CITY COLLEGES OF CHICAGO:

The District requires commercial insurance coverage to protect the District against losses that could have a significant impact on District operations and its financial condition.

The coverage limits referenced above are at levels consistent with Illinois statutory requirements and are within reasonable levels to insure the District’s requirements, interests and operations. The proposed Insurance Carriers reflect an AM Best Rating Guide of “A-”, VIII or better. Staff together with the Broker pursued an aggressive market strategy, productive Premium negotiations with various Carriers, a thoughtful review of Policy Limits as well as Retention levels and an assessment of the Institution’s risk appetite.

MBE/WBE COMPLIANCE:

The Office of M/WBE Contract Compliance has reviewed the proposed renewal agreement and Mesirow Insurance Services, Inc. subcontracting remains in compliance with the Board Approved Participation Plan.

Vendor	MBE or WBE	%	Participation	Certifying Agency
CS Insurance Strategies, Inc. 542 S. Dearborn Street - 8th Floor Chicago, IL 60605	MBE	25	Direct	City of Chicago
EagleOne CMS 80 Burr Ridge Pkwy – Suite 121 Burr Ridge, IL 60527	WBE	7	Direct	City of Chicago

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 2, Section 2.7.4(b) of the Board Bylaws.

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.

Contingent Liability – Pursuant to Section 7- 14 of the Illinois Public Community Act all agreements authorized herein shall contain a clause that any expenditure beyond the current the current fiscal year is subject to appropriation in the subsequent fiscal year.

FINANCIAL:

Total: \$2,171,780

Charge To: Office of Risk Management

Source of Funds: Liability Protection and Settlement Fund

Unrestricted Fund

FY24 – 530000-05001-0022502-80000

560000-05001-0022502-80000

CCC Foundation

\$2,171,780

\$ 4,848

Respectfully submitted,

Juan Salgado

Chancellor

November 2, 2023 – The Office of Risk Management