

Personnel Management and Services
Nelson E. Diaz, Deputy Superintendent

**SUBJECT: REQUEST FOR AUTHORIZATION TO RENEW THE POLICE
PROFESSIONAL LIABILITY INSURANCE COVERAGE**

At the Board meeting of October 21, 1998, the Board awarded its Police Professional Liability Insurance coverage to National Union Fire Insurance Company, American International Group (AIG) (A.M. Best A++XV), pursuant to the terms of Request For Proposal (RFP) # 093-XX-10, Police Professional Liability Insurance. At the time of bid opening for this coverage, eight declinations were received, and one proposal, from National Union Fire Insurance Company. The term of that award was for an initial 20 month period, effective November 1, 1998 through June 30, 2000. The quoted annual premium for this coverage is \$45,926, which resulted in a 20-month premium of \$76,543.36.

National Union Fire Insurance Company has notified the Board that they will not be able to offer a renewal quotation, as they are no longer writing single line coverages such as this. Pursuant to the authorization contained in State Board Rule 6A-1.012(11), which permits the School Board to negotiate with carriers, a proposal from Lexington Insurance Company, another company within the AIG group, has been secured. The specifics of the quotation and recommended coverage is as follows:

Insurer: Lexington Insurance Company (AIG) (A.M. Best A++ XIV)

Coverages: Police Professional Liability, including coverage for false arrest, detention, imprisonment, civil rights violations, malicious prosecution, wrongful entry, eviction or other invasion of private occupancy, humiliation, discrimination, libel, slander, assault and battery, and first aid.

Limits: \$5,000,000 each wrongful act/\$5,000,000 annual aggregate

Deductible: \$100,000 each wrongful act

Annual Premium: \$74,000

RECOMMENDED:

That The School Board of Miami-Dade County, Florida authorize purchase of Police Professional Liability Insurance coverage, pursuant to the provision of the received renewal quotation, from Lexington Insurance Company (AIG)(A.M. Best A++XIV), through the joint venture of Arthur J. Gallagher & Co., Miami, Florida, and Bendell Insurance Group, Inc., Miami, Florida, effective July 1, 2000 through June 30, 2001, at a flat annual premium of \$74,000, funds to be taken from the Board's liability insurance premium budget.

NED:sc