

Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**SUBJECT:           WORKERS' COMPENSATION AND LIABILITY CLAIMS  
REVIEW PERFORMED BY DELOITTE CONSULTING, LLP  
– JUNE 2005**

**COMMITTEE:       INNOVATION,       EFFICIENCY       &       GOVERNMENTAL  
RELATIONS**

This report is the third annual audit performed by Deloitte Consulting, LLP of the District's self-insured claims administration program. The audit focused on Gallagher Bassett Services, Inc., the District's third party claims administrator. Deloitte Consulting, LLP found that individual case reserves were generally justified, but the reserving process can be improved: Claims reserve documentation was vague, case values were not timely posted, and adjusters are not taking full advantage of a software estimating tool to assist them in estimating case reserves. Notwithstanding, liability claims-handling performance was very strong and all current and past recommendations have been fully implemented by management.

The School Board Audit Committee reviewed this report at its December 7, 2005 meeting, and recommended forwarding the report to the School Board.

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Copies of this report were previously distributed and will be placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center. Additional copies will be provided upon request.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, receive and file the Workers' Compensation and Liability Claims Review performed by Deloitte Consulting, LLP – June 2005.

**REVISED  
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