

Financial Affairs  
Richard H. Hinds, Chief Financial Officer

**SUBJECT: RENEWAL OF BOARD'S COMPREHENSIVE FIDELITY BONDS AND RELATED COVERAGES**

At the Board meeting of March 13, 2002, the Board authorized the Superintendent to enter into negotiations for renewal of its current comprehensive fidelity bond and related coverages program, through Arthur J. Gallagher & Co. The current program expires May 31, 2002.

Staff and the Board's broker have been negotiating with fidelity companies in order to achieve the best combination of high limits with equitable premiums. Final reviews of recommended programs are underway. A completed agenda item, including recommendations for renewal of all applicable coverages, inclusive of terms, conditions, and premiums will be provided to the Board no later than May 10, 2002.

RHH:sc