

Financial Services
Judith M. Marte, Chief Financial Officer

SUBJECT: REQUEST FOR AUTHORIZATION TO PAY FOR ONE HALF OF THE COMMERCIAL PACKAGE INSURANCE POLICY AND PROPERTY POLICIES INSURING MIAMI-DADE COUNTY PUBLIC SCHOOLS AND MIAMI-DADE COLLEGE FOR NEW WORLD SCHOOL OF THE ARTS

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

Since its inception, Miami-Dade County Public Schools (M-DCPS) and Miami-Dade College (MDC) have jointly purchased appropriate insurance coverages to adequately protect the New World School of the Arts (NWSA). MDC secures proposals for the coverage through their contracted brokers and provides the information for review by the Office of Risk and Benefits Management to ensure the coverage is appropriate and at a competitive cost for the South Florida marketplace.

Annually, the Board has authorized payment for one-half of the annual premium for such coverages pursuant to the authority provided by State Board Rule 6A-1.012(15), wherein the Board is authorized to directly negotiate and enter into contracts for insurance, risk management programs, or third party administrators, making such acquisitions through the bid process or by direct negotiation and contract.

MDC has now provided staff with the renewal terms of the commercial package policy which is effective August 13, 2014 to August 12, 2015.

Expiring vs. Renewal Premiums

	Expiring Premium	Renewal Premium	M-DCPS Share
Commercial Package Policy	\$28,541.65*	\$29,965.42*	\$14,982.71
Commercial Excess Liability Policy	\$4,001*	\$4,526.08*	\$2,263.04
Total:	\$32,542.65*	\$34,491.50	\$17,245.75

* Includes Florida Assessments

The total renewal premium resulted in increase of \$1,948.85 or approximately 6%, with the Board's share consisting of \$974.43. With a tightening in the insurance marketplace, this increase is well within normal ranges. All terms and conditions of the renewal policy remain the same as expiring. The policy provisions are as follows:

Commercial Package Policy

Carrier: Philadelphia Indemnity Insurance Co. (A.M. Best A++XV)
Limits: Comprehensive General Liability (CGL) including Educators Professional Liability - \$1MM per occurrence/\$2MM annual aggregate

Automobile Liability (hired and non-owned autos) - \$1MM combined single limit (CSL)

Business Personal Property - \$1.5MM per occurrence
Personal Property of Others - \$1MM per occurrence

Commercial Excess Liability Policy

Carrier: Philadelphia Indemnity Insurance Co. (A.M. Best A++XV)
Limits: Commercial Excess Liability (General/Automobile Liability) - \$1MM per occurrence/annual aggregate, subject to a \$10,000 per occurrence retention

All policies are placed through Miami-Dade College's broker, Arthur J. Gallagher Risk Management Services, Inc.

Staff is requesting authority to reimburse MDC for one-half of the commercial package policy and excess insurance policy premium in the amount of \$17,245.75 representing one half of the annual renewal premium for the commercial package and excess insurance policies for the New World School of Arts, to Miami-Dade College, covering both Miami-Dade County Public Schools and Miami-Dade College, with Philadelphia Insurance Company (A.M. Best A+, IX), through Arthur J. Gallagher Risk Management Services, Inc., effective August 13, 2014 to August 12, 2015.

RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize reimbursement of \$17,245.75, representing one half of the annual renewal premium for the commercial package and excess insurance policies for the New World School of Arts, to Miami-Dade College, covering both Miami-Dade County Public Schools and Miami-Dade College, with Philadelphia Insurance Company (A.M. Best A+, IX), through Arthur J. Gallagher Risk Management Services, Inc., effective August 13, 2014 to August 12, 2015.

JMM:sbc