Gregory-Portland Independent School District

BOARD MEMORANDUM

TO: DR. MICHELLE CAVAZOS

FROM: CHRIS CASAREZ

CC: BOARD OF TRUSTEES
DR. ISMAEL GONZALEZ III
DEBORAH GARZA
DR. MICHAEL NORRIS
PENNY ARMSTRONG
DR. WILLIAM STOUT
BRITTNEY SOLIZ-SANDOVAL

DATE: Monday July 31, 2026

SUBJECT: Consider Approval of Contract Renewal for RFP #2122-15 Workers' Compensation Fixed Cost Program

PRIORITIES

PRIORITY 1: EXCEPTIONAL STUDENT PERFORMANCE
N/A
PRIOIRTY 2: HIGH PERFORMING AND ENGAGED WORKFORCE
N/A
PRIORITY 3: QUALITY SERVICE AND IMPACTFUL COMMUNITY ENGAGEMENT
N/A
PRIORITY 4: EFFICIENT AND EFFECTIVE DISTRICT AND CAMPUS OPERATIONS
4.1 Annual Improvement of Operational Processes
4.3 Ensure Strategic Alignment of Resources

BACKGROUND INFORMATION:

In August 2022, the District sought a qualified insurance provider to provide a Workers' Compensation Fixed Cost Program for the 2022–23 school year. Workers' Compensation coverage provides medical benefits for employees who sustain work-related injuries and provides wage replacement benefits when an employee is unable to work while recovering from an injury.

The District had been insured through School Comp for approximately 28 years; however, the District identified concerns with the existing pricing structure, including escalating costs and the potential for additional expenses associated with claims.

As part of the procurement process, the District contacted both respondents, School Comp and TASB Risk Management, to explore fixed-cost program options. A fixed-cost program provides the District with greater budget predictability by establishing a set annual cost that encompasses program fees and claims for the applicable fiscal year, with no additional carryover costs to the District related to those claims.

This approach provides greater financial stability and predictability while continuing to provide appropriate Workers' Compensation coverage for District employees

School Comp Costs by year:
2025-26 (although covered by TASB): $9,440 (to date)- carry-over claims from previous years
2024-25 (although covered by TASB): $17,980- carry-over claims from previous years
2023-24 (although covered by TASB): $66,774- carry-over claims from previous years
2022-23 (although covered by TASB): $106,625- carry-over claims from previous years
2021-22: $263,401
2020-21: $245,994

TASB Risk Management Cost:
2022-23: $147,170
2023-24: $159,181
2024-25: $186,664
2025-26: $163,070

RECOMMENDATION:

Administration recommends renewing the contract with TASB Risk Management Services for Workers Compensation Fixed Cost Program for the 2024-25 School Year. The program has produced a $328,265 in savings over a three-year period since changing formats in 2022. The fixed cost structure also ensures that there will not be carry-over claims from previous years, which we continue to pay under the School Comp structure even though we ended workers' compensation insurance with them in 2022. Our Benefits Coordinator has also reported that TASB's online claims tool has made the process much more user-friendly and efficient.

FINANCIAL IMPACT:

2026-27 Renewal Cost: $225,247

2025-26 Cost: $163,070

	2025-26	2026-27
Fully Funded Workers Comp	$170,538	$225,247

This calculation is based on a net annual rate per estimated payroll in 5 employee categories. Each Net annual rate is lower in 2026-27; however, payroll has grown from $41,687,415 to $48,135,323.

The District currently has an estimated payroll of $48,135,323 for the 2026-27 School Year, up from $41,697,415 in 2025-26. However, the overall net annual charge was reduced in every employee category, resulting in a better value. Contributions are based on a formula that is dependent on the payroll amounts.

BOARD-RELATED POLICY:

CH (LEGAL)
CH (LOCAL)

ACTION ITEM SUGGESTED MOTION (if applicable):

The School Board accept Administration's recommendation to renew the contract with TASB Risk Management Services for Workers' Compensation Fixed Cost Program for the 2026-27 School Year in accordance with RFP# 2122-15 at a fixed rate of $225,247.