

**Property/Casualty Insurance**  
December 9, 2014

**SUMMARY:**

This item requests approval of the Property/Casualty Insurance and the TASB Risk Management Fund Interlocal Participation Agreement.

**BOARD GOAL:**

VI. Growth & Change ... In pursuit of excellence, the district will:  
a. Review and adjust policies and procedures effectively to address the challenges of rapid growth and changing demographic characteristics while maintaining and enhancing our strong sense of community.

**PREVIOUS BOARD ACTION:**

The Board approved the Texas Association of School Boards Risk Management Fund (TASB) as the District's insurance provider for Property, Equipment Breakdown, Miscellaneous Property, Liability, Vehicle Coverage, and Crime on December 10, 2013.

**BACKGROUND INFORMATION:**

The Texas Association of School Boards Risk Management Fund has been the provider for the District's property coverage since 2001.

**SIGNIFICANT ISSUES:**

TASB Risk Management Fund's renewal proposal reflects the following:  
Data Breach/Privacy Protection coverage will be provided with added protection for costs such as legal fees, notification costs, forensic review, credit monitoring, etc. in the event of a data or privacy breach. Coverage includes limits of \$100,000 in defense and settlement costs, as well as costs associated with notification of up to 10,000 affected individuals plus \$100,000 for other breach response costs. Higher limits are available to large Fund members for an additional contribution.

**FISCAL IMPLICATIONS:**

TASB submitted the following proposal for coverage:  
**\$861,838,674 Blanket Replacement Cost** on buildings, personal property and auxiliary structures with a \$250,000 deductible for wind, hurricane and hail and \$50,000 for all other claims. This proposal is for a short term to gain common expiration date with our fiscal year end. This term will be effective January 1, 2015 through June 30, 2015.

**BENEFIT OF ACTION:**

Approval of property/casualty coverage will provide security of the District's assets.

**PROCEDURAL AND REPORTING IMPLICATIONS:**

The District is required to complete, sign, and return the Contribution & Coverage Summary prior to December 31, 2014 in order to avoid a lapse in coverage.

**SUPERINTENDENT'S RECOMMENDATION:**

Recommend that the District approve the TASB Risk Management Fund Interlocal Participation Agreement and the renewal from TASB Risk Fund for the following coverages and term:

- Term: January 1, 2015 through June 30, 2015.
- \$861,838,684 Blanket Replacement Cost Limit - \$50,000 Deductible with \$250,000 Deductible for Wind, Hurricane and Hail (includes Flood, Earthquake, Crime and Equipment Breakdown)
- School Liability (Professional, General and Employee Benefits Liability)
- Vehicle coverage

**Total Short Term Premium of \$ 262,097.00**

**STAFF PERSONS RESPONSIBLE:**

Karen Almon, Director of Risk Management  
Debbie Monschke, Assistant Superintendent of Administrative Services

**ATTACHMENTS:**

TASB Letter – Renewal Proposal  
Property Coverage/Premium Comparison – Denton ISD  
TASB Contribution and Coverage Summary

**APPROVAL:**

Signature of Staff Member Proposing Recommendation: \_\_\_\_\_

Comments: \_\_\_\_\_

Signature of Divisional Leader: \_\_\_\_\_

Comments: \_\_\_\_\_

Signature of Superintendent: \_\_\_\_\_

Comments: \_\_\_\_\_