

Sharon Williams, Ed.D.
Superintendent of Schools

To: RIMSD 41 Board of Education
From: Dr. Sharon Williams
Cabinet Champion: Annaka Whiting, Chief Financial Officer
Date: November 25, 2025
Re: Cyber Liability and Workers' Comp Coverage

The District's Cyber Liability and Workers' Compensation insurance policies are set to expire on November 30th. Cyber Liability renewals follow a standard process that evaluates our current IT security practices and associated risk. Workers' Compensation program costs vary annually based on total salary estimates, actual claims, historical incurred losses, and claim frequency.

With assistance from the District's insurance administrator, Gallagher, competitive proposals were solicited from the open market for both Cyber Liability and Workers' Compensation coverage.

Cyber Liability

	Prior	Proposed
Company	Tokio Marine	Westchester
Retention (Deductible)	\$25,000	\$15,000
Premium	\$34,853	\$13,137

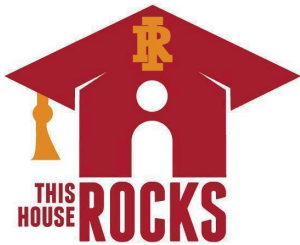
Workers' Compensation

	Prior	Proposed
Company	United Heartland	United Heartland
Premium	\$684,522	\$898,358

Total Combined Premiums	\$719,375	\$911,495
--------------------------------	------------------	------------------

After review, the District recommends awarding Cyber Liability coverage to Westchester, which offers \$1,000,000 in coverage at a substantially reduced premium, and maintaining Workers' Compensation coverage with United Heartland, which remains the most cost-effective and stable option based on the District's historical performance and claims experience. Gallagher will continue to serve as the District's third-party administrator.

In conjunction with this renewal, the District is implementing enhanced Workers' Compensation oversight practices. These improvements include quarterly on-site visits from our workers'



Sharon Williams, Ed.D.

Superintendent of Schools

compensation carrier to review outstanding claims, provide targeted staff training, and support efforts to improve overall claim outcomes and safety performance.

It is recommended that the Board of Education approve Gallagher to engage services with Westchester for Cyber Liability and United Heartland for Workers' Compensation coverage, ensuring continued protection without any lapse in coverage.

Investment Period: December 1, 2025 - November 30, 2026

Total Investment: \$911,495

Funding Source: Tort Fund

Rock Island-Milan School District #41

2000 7th Avenue, Rock Island, IL 61201

309-793-5900 x10210 | 309-793-5905 fax

Sharon.williams@rimsd41.org

www.rimsd41.org