

**Purchase Request #1**  
**Regular Board Meeting September 27, 2016**  
**Consideration of Approval to Property and Liability Insurance**

**ADMINISTRATION RECOMMENDATION/REPORT**

The District President recommends the Board of Trustees approve a contract to purchase Property and Liability Insurance from Roach Howard Smith and Barton for the policy year ended October 31, 2017.

**BACKGROUND**

The District purchases insurance to meet legal requirements and ensure protection and preservation of the human, physical and financial assets of the District. The District purchases the following types of insurance coverage: property, crime, cyber liability, international travel, general liability, law enforcement, educators legal, auto and umbrella/excess.

A request for proposal (RFP) Number 4005, was issued to solicit proposals for property and liability insurance services. Three (3) responses were received and evaluated. It was determined the proposal submitted by Roach Howard Smith and Barton would provide the best value to the College. The proposal submitted by Roach Howard Smith and Barton was determined to be both responsible and responsive to all solicitation requirements.

**IMPACT OF THIS ACTION**

Approval of the insurance renewal will continue the existing coverage for the District for the period November 1, 2016 through October 31, 2017. The FY17 premium of \$424,788 is a \$47,225 increase in premium from the FY16 premium of \$377,563. This increase is mainly due to a \$42,033 increase in property insurance premiums. The District's rate increased from \$0.035 to \$0.044. A direct result of changes in market conditions due to significant wind and hail events in North Texas and Collin County.

**BUDGET INFORMATION (INCLUDING ANY STAFFING IMPLICATIONS)**

The one (1) year estimated expenditure is \$424,788. This expenditure is funded by the District's 2016-2017 operating budget and subsequent year's budget, subject to Board approval.

**MONITORING AND REPORTING TIMELINE**

The initial award term will be for one (1) year, ending October 31, 2017 with an option to renew four (4) additional consecutive years upon mutual agreement and Board approval.

**ATTACHMENTS**

Attachment 1 – Tabulation

**RESOURCE PERSONNEL**

Ken Lynn      Acting Vice President of Administrative Services/CFO      972-758-3831