



Consent Item

Date: August 11, 2025

Division: Finance

Subject: Renewal of RFP #F1026-22 Liability and Other Various School District Insurance Services

Background Information:

- The Board of Trustees awarded RFP #F1026-22 Liability and Other Various School District Insurance Services on August 8, 2022. If approved, this renewal would be the fourth year of a five-year term.
- The liability insurance services include auto coverage, crime coverage, general liability, school leaders errors and omissions liability, violent acts coverage, storage tank liability, student liability for Career and Technical Education (CTE) student interns, and surety bonds for the JROTC and CTE programs.
- In addition, services within this recommendation include specialty general liability coverage, law enforcement liability coverage, and garagekeepers coverage. The specialty general liability policy provides coverage for LISD electricians installing, servicing, or repairing alarms and alarm systems. The law enforcement liability policy covers LISD's Guardian Program. The garagekeepers policy extends coverage to automobiles in the care, custody, or control of the District.
- LISD's general liability policy had no claims paid this policy term, which has yielded the proposed reduced premium.
- Rates for Sexual Abuse and Misconduct coverage are expected to increase due to the passage of HB 4623, which amends the Civil Practice and Remedies Code to hold public and charter schools, as well as their employees, liable for acts of sexual misconduct or failure to report suspected child abuse or neglect by school personnel. The bill waives governmental immunity in such cases and caps damages at \$500,000 per claimant, plus court costs and reasonable attorney's fees awarded to the prevailing party. This will apply to acts or omissions occurring on or after September 1, 2025.
- The District had an increase in school leaders errors and omissions claims, which, combined with current insurance market conditions, led to a significant increase in the proposed policy premium.
- The recommended auto policy renewal premium will increase due to the addition of vehicles (285 buses and 11 new service fleet vehicles), higher claims activity, and current insurance market conditions. The policy deductible has been adjusted upward to be in alignment with industry standards.
- Recent changes in state legislation have disrupted the insurance industry, which in turn has led to liability insurance carriers adding a firearms exclusion to law enforcement liability policies. The current coverage will now exclude Guardians, and LISD's supplementary

liability policies also include a firearms exclusion. This exclusion would leave the District without sufficient coverage for the Guardian Program. Coverage options to meet LISD's needs were pursued and negotiated, which resulted in the recommended law enforcement policy that includes relatively broad terms and includes coverage for armed educators (Guardians).

Administrative Consideration:

- If approved, general operating funds would be used for these expenditures as allocated in the annual budget.
- Total previous annual expenditures: \$456,068
 - General Liability, Specialty Liability, and Violent Acts Coverage (Liberty) – \$67,738
 - School Leaders Errors & Omissions Liability (Liberty) – \$171,494
 - Commercial Auto and Garagekeepers Coverage (Liberty) – \$138,086
 - Law Enforcement Liability (Kinsale) – \$66,419
 - Crime Coverage (USI) – \$4,840
 - Storage Tank Liability (USI) – \$2,847
 - Student Liability (NSO) – \$2,944
 - Surety Bonds (USI) – \$1,700
- Estimated annual expenditures: \$860,947, but expenditures will not exceed the approved budget.
 - General Liability, Specialty Liability, and Violent Acts Coverage (Liberty) – \$108,893
 - School Leaders Errors & Omissions Liability (Liberty) – \$251,595
 - Commercial Auto and Garagekeepers Coverage (Liberty) – \$420,478
 - Law Enforcement Liability (Kinsale) – \$67,415
 - Crime Coverage (USI) – \$4,843
 - Storage Tank Liability (USI) – \$3,368
 - Student Liability (NSO) – \$2,655
 - Surety Bonds (USI) – \$1,700
- This procurement complies with Section 44.031 of the Texas Education Code.

Recommendations:

- That the Lewisville ISD Board of Trustees approves the renewal of RFP #F1026-22 Liability and Other Various School District Insurance Services and the estimated annual expenditures for one year with the recommended vendors.

Timeline/Report:

- Term: September 1, 2025 – August 31, 2026