



City of San Antonio

Agenda Memorandum

File Number:15-4029

Agenda Item Number: 8.

Agenda Date: 8/4/2015

In Control: Early Childhood Education Municipal Development Corporation Board of Directors

DEPARTMENT: Pre-K 4 SA

DEPARTMENT HEAD: Kathy Bruck, CEO

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT:

Insurance for Education Centers

SUMMARY:

This item requests Board consideration to ratify the purchase of Directors and Officers Liability Coverage in an amount exceeding the previously approved total cost of \$100,000.00 for annual insurance premiums with an actual cost of \$105,558.00.

BACKGROUND INFORMATION:

During the May 19, 2015 meeting, the Board of Directors approved for Pre-K 4 SA to purchase from the recommended insurance company, Markel American Insurance Company, insurance for Property, Casualty, and Directors and Officers insurance for the four Education Centers with a total premium of approximately \$100,000.00. Actual property values, the number of expected students, and an increase in the budget resulted in a higher than expected cost for Directors and Officers Liability Coverage. The total annual premium to include all required forms of insurance is \$105,558.00.

ISSUE:

In order to ensure that Pre-K 4 SA insurance coverage remained intact for the upcoming school year, Pre-K 4 SA accepted the insurance quote and purchased the coverage. This item requests Board consideration to ratify the additional \$5,558.00 for the annual premium of insurance coverage.

ALTERNATIVES:

Pre-K 4 SA is required by the MOU with participating ISDs to maintain insurance coverage in the following areas:

- Worker's Compensation (provided by the City of San Antonio)
- Errors and Omissions
- Directors' and Officers' Liability
- Commercial General Liability
- Abuse & Molestation Liability
- Automobile Liability (Hired & Non-Owned Only)
- Program Consultants
- Excess Umbrella Liability
- Student Accident Insurance

FISCAL IMPACT:

Funds for insurance coverage are budgeted and available in the FY 2016 Pre-K 4 SA Operating Fund as approved by the Pre-K 4 SA Board of Directors.

RECOMMENDATION:

Staff recommends that the Board ratify the purchase of required insurance from the recommended company, Markel American Insurance Company, for required insurance coverage included in the program Memorandum of Understanding with a total premium of \$105,558.00.