

Board Office Use: Legislative File Info.	
File ID Number	17-1344
Introduction Date	6/28/17
Enactment Number	17-1085
Enactment Date	6/29/17



OAKLAND UNIFIED
SCHOOL DISTRICT

Community Schools, Thriving Students

Memo

To Board of Education

From Vernon Hal, Senior Business Officer
Tara Gard, Deputy Chief Talent Officer
Rebecca Cingolani, Risk Management Officer *re*

Date June 28, 2017

Subject Approval by the Oakland Unified School District Board of Education of Insurance Premium Payments for the 2017-18 Fiscal Year

Action Requested

Approval by the Board of Education of payment of premium, Fiscal Year 2017-2018, for Workers' Compensation Coverage, procured from individual insurance carriers, through Alliant Insurance Services, Inc., Newport Beach, CA (Broker), in the amount of \$643,011 and Excess Liability & Property Coverage through NorCAL ReLIEF JPA, managed by Keenan & Associates, Torrance, CA (Broker), in the amount of \$2,091,520, respectively.

Background

The District is permissibly self-insured for purposes of California workers' compensation coverage. The ultimate risk of such self-insurance is limited by the purchase of excess workers' compensation coverage above a self-insured retention ("SIR") level of \$500,000 per claim. That coverage is procured from individual insurance carriers through the District's broker of record for those purposes, Alliant Insurance Services ("Alliant").

Additionally, the District self-insures its risk of property and casualty loss through membership in Northern California ReLIEF ("NCR"), a JPA comprised primarily of school districts in the greater Bay Area, administered by Keenan & Associates. The District has Member Retained Limits ("MRLs," similar in function to a deductible or SIR) of \$250,000 for both property loss and liability coverage. Some lines of coverage under the JPA agreement carry lower MRLs, as outlined in the attached NCR *proforma*.

Discussion

The proposed cost of workers' compensation excess insurance has decreased; approximately 5% over the expiring policy term (\$679,214 for 2016-17 as compared to \$643,011 for the 2017-18 term year). This decrease is driven primarily by general conditions in the insurance market and improvements in the workers' compensation program.

The proposed JPA member contribution to NorCAL ReLIEF (which would be likened to a deductible) has increased slightly by approximately 1.2% (from \$2,066,504 for the 2016-17 expiring policy term to \$2,091,520 for 2017-18 term year). This increase is based primarily on liability loss experience (as a whole and not specific to the District or NCR) and a general increase in total property value.



Oakland Unified School District

Workers Compensation Insurance Proposal 2017 – 2018

Presented on May 31, 2017 by:

Lilian Vanvieldt
Senior Vice President

LEGISLATIVE FILE

File No.	17-1344
Introduced Date	6/28/17
Effective Date	17-1085
Repealed Date	6/29/17

Alliant Insurance Services, Inc.

1301 Dove Street, Suite 200

Newport Beach, CA 92660

O 949 756 0271

F 949 756 2713

CA License No. 0C36861

www.alliant.com

Table of Contents

Alliant Company Profile.....	2
Alliant Advantage	3
Your Service Team	4
Named Insured / Additional Named Insureds	5
Workers Compensation Proposal – Buffer Layer.....	6
Workers Compensation Proposal – Excess Layer.....	10
Actuarial Comparison.....	12
Premium Summary	13
Payment Terms.....	13
Options.....	13
Important Information	
Alliant’s Disclaimer.....	14
NY Disclosure	15
FATCA	15
Claims Reporting	15
NRRRA.....	16
Changes and Developments.....	16
Certificates / Evidence of Insurance	17
Optional Coverages	18
Including Links to Glossary of Insurance Terms.....	18
Request to Bind Coverage.....	19

Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
 - Strategy
 - Employee Engagement
 - Procurement
 - Analytics
 - Wellness
 - Compliance
 - Benefits Administration
 - Global Workforce
- Industry Solutions
 - Construction
 - Energy and Marine
 - Healthcare
 - Law Firms
 - Public Entity
 - Real Estate
 - Tribal Nations
 - And many other industries
- Co-Brokered Solutions
 - Automotive Specialty
 - Energy Alliance Program
 - Hospital All Risk Property Program
 - Law Firms
 - Parking/Valet
 - Public Entity Property Insurance Program
 - Restaurants/Lodging
 - Tribal Nations
 - Waste Haulers/Recycling
- Business Services
 - Risk Control Consulting
 - Human Resources Consulting
 - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States

Alliant Advantage

	Alliant	Competition
1. Satisfying the insurance needs of business for nearly 90 years	✓	
2. Privately owned and operated.	✓	
3. A full-service insurance agency for all your business, life and health, and personal insurance.	✓	
4. Representing over 40 insurance companies to provide the best and most affordable coverage.	✓	
5. State-licensed support staff.	✓	
6. Dedicated Certificate of Insurance personnel.	✓	
7. Risk management services to help identify hazards and present options.	✓	
8. Workers' compensation insurance claims management at no additional charge.	✓	

Your Service Team

Lillian Vanvieldt
Senior Vice President
lvandieldt@alliant.com

Phone: 949 660 8116

Pamela Dominguez
Vice President
PDominguez@alliant.com

Phone: 916 643 2718

Afi Alameddine
Account Manager
Afi.Alameddine@alliant.com

Phone: 949 660 5927

Tim Leech, CSP, ARM
Risk Control Consultant
tleech@alliant.com

Phone: 949 260 5008

Kristi Loisel
Loss Control Consultant
kloiselle@Alliant.com

Phone: 949 260 5042

Named Insured / Additional Named Insureds

Named Insured(s)

Oakland Unified School District

NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

Workers Compensation Proposal – Buffer Layer

INSURANCE COMPANY	<u>PRESENT 2016-2017</u> New York Marine & General Insurance Co	<u>PROPOSED 2017-2018</u> New York Marine & General Insurance Co	<u>PROPOSED 2017-2018</u> Great American E&S Insurance Co
A.M. BEST GUIDE RATING:*	A (Excellent); IX (\$250 Million to \$500 Million)	A (Excellent); IX (\$250 Million to \$500 Million)	A+ (Superior); XV (\$2 Billion or greater)
STANDARD & POOR'S RATING:*	N/A	N/A	A+ (Strong)
CALIFORNIA STATUS:	Admitted	Admitted	Non-Admitted
COVERAGE TERM:	July 1, 2016 – July 1, 2017	July 1, 2017 – July 1, 2018	July 1, 2017 – July 1, 2018
LIMITS:			
Workers' Compensation	\$2,000,000	\$2,000,000	\$500,000
Employer's Liability	\$1,000,000	\$1,000,000	\$500,000
ESTIMATED ANNUAL PAYROLL:	\$236,400,000	\$264,484,626	\$264,484,626
SELF INSURED RETENTION (SIR):	\$500,000	\$500,000	Option A: \$250,000 Option B: \$350,000
ANNUAL PREMIUM:	\$429,448	\$436,400	Option A: \$409,787 Option B: \$245,717
MINIMUM PREMIUM:	\$386,503	\$399,836	Option A: \$368,808 Option B: \$221,145
RATE PER \$100 OF PAYROLL:	0.1816	0.1650	Option A: 0.154938 Option B: 0.092904
ESTIMATED SL TAX/FEE (3.2%):	N/A	N/A	Option A: \$13,113.18 Option B: \$7,862.94
RATE ADJUSTED FOR SLT&F'S:	N/A	N/A	Option A: 0.159896 Option B: 0.095877
LOSS CONTROL FEE:	\$2,500	\$2,500	\$2,500

Workers Compensation Proposal – Buffer Layer (cont.)

INSURANCE COMPANY	<u>PRESENT 2016-2017</u> New York Marine & General Insurance Co	<u>PROPOSED 2017-2018</u> New York Marine & General Insurance Co	<u>PROPOSED 2017-2018</u> Great American E&S Insurance Co
TOTAL ANNUAL PREMIUM INCLUDING LOSS CONTROL: TERRORISM OPTION:	\$431,948 Terrorism (\$6,292) is included in the premium above.	\$446,763 Terrorism (\$7,863) is included in the premium above.	Option A: \$425,400 Option B: \$256,080 N/A
AUDITABLE:	Yes	Yes	Yes
QUOTE VALID UNTIL:	No longer applicable	June 30, 2017	July 1, 2017
CONDITIONS:	No longer applicable	<ul style="list-style-type: none"> 90% minimum earned premium Confirmation of Binding Coverage must be signed at Binding In the event of a difference between the proposal and the policy, the policy will prevail Require full implementation of safety/loss control program and retention of TPA, approved by New York Marine and General Insurance Company, throughout the policy period. Final Premium will be at least and not less 	<ul style="list-style-type: none"> 90% minimum earned premium Confirmation of Binding Coverage must be signed at Binding In the event of a difference between the proposal and the policy, the policy will prevail No flat cancellation Surplus lines taxes are estimated and in addition to the premium Copy of signed E&S due diligence affidavit from retail agent must accompany any request to bind coverage

Workers Compensation Proposal – Buffer Layer (cont.)

INSURANCE COMPANY	<u>PRESENT 2016-2017</u> New York Marine & General Insurance Co	<u>PROPOSED 2017-2018</u> New York Marine & General Insurance Co	<u>PROPOSED 2017-2018</u> Great American E&S Insurance Co
CONDITIONS: (Continued)		<p>than the minimum premium stated above</p> <ul style="list-style-type: none"> • Applicable state endorsements plus other coverage additions/exclusions may apply. All other endorsements desired must be requested prior to binding and are subject to approval • Please sign and return the attached Terrorism Disclosure. Same must be received within thirty (30) days of binding. • New York Marine and General Insurance Co has the right, but not the obligation, to audit the TPA listed above. • Prior to binding, please provide the most current financial budget • Terrorism Charge is calculated separately and not included in the total rate above. It is subject to adjustment at audit. 	
BINDING CONDITIONS:	No longer applicable	Written request to bind	Written request to bind

It is imperative that Alliant and/or the carrier be notified IMMEDIATELY when a policyholder hires employees and/or begins operations in any state not listed in PART 3. A on the INFORMATION PAGE of the policy. Failure to obtain a workers' compensation policy in some states may result in substantial fines levied on the policyholder dating back to the original date of hire. Coverage for other states under PART 3. C. (OTHER STATES INSURANCE) of the workers' compensation policy may not fulfill the coverage verification requirement imposed by some states.

See Disclaimer Page for Important Notices and Acknowledgement

Workers Compensation Proposal – Excess Layer

INSURANCE COMPANY	<u>PRESENT 2016-2017</u> State National Insurance Company	<u>PROPOSED 2017-2018</u> State National Insurance Company
A.M. BEST GUIDE RATING:*	A (Excellent); VIII (\$100 Million to \$250 Million)	A (Excellent); IX (\$250 Million to \$500 Million)
STANDARD & POOR'S RATING:*	N/A	N/A
CALIFORNIA STATUS:	Admitted	Admitted
COVERAGE TERM:	July 1, 2016 – July 1, 2017	July 1, 2017 – July 1, 2018
LIMITS: Workers' Compensation Employer's Liability	Statutory \$1,000,000	Statutory \$1,000,000
ESTIMATED ANNUAL PAYROLL:	\$236,400,000	\$264,484,626
SELF INSURED RETENTION (SIR):	\$2,500,000	\$2,500,000
ANNUAL PREMIUM:	\$175,409	\$196,248
MINIMUM PREMIUM:	\$166,639 (95% of Deposit)	\$186,436 (95% of Deposit)
RATE PER \$100 OF PAYROLL:	0.0742	0.0742
ANNUAL PREMIUM:	\$177,909	\$196,248

Workers Compensation Proposal – Excess Layer (cont.)

INSURANCE COMPANY	<u>PRESENT 2016-2017</u> State National Insurance Company	<u>PROPOSED 2017-2018</u> State National Insurance Company
ENDORSEMENTS & EXCLUSIONS: <i>(Including but not limited to)</i>	<ul style="list-style-type: none"> • Terrorism Premium Endorsement • Catastrophe Premium Endorsement • Employer's Liability Policy Limit Endorsement • Voluntary Compensation • Communicable Disease • Escalation Exclusion • California Changes - Cancellation 	<ul style="list-style-type: none"> • Terrorism Premium Endorsement • Catastrophe Premium Endorsement • Employer's Liability Policy Limit Endorsement • Voluntary Compensation • Communicable Disease • Escalation Exclusion • California Changes - Cancellation • Multi-Year Rate Endorsement
TERRORISM OPTION:	Terrorism charges are included in the rate shown above.	Terrorism charges are included in the rate shown above.
AUDITABLE:	Yes	Yes
QUOTE VALID UNTIL:	No longer applicable	July 1, 2017
BINDING CONDITIONS:	No longer applicable	<ul style="list-style-type: none"> • Written request to bind • Terms require quarterly claims reporting. • Rates are guaranteed for two years.

Oakland Unified School District | 2017 – 2018 Workers Compensation Insurance Proposal

Estimated Payroll \$264,484,626	Present	Renewal Option #1	Renewal Option #2	Renewal Option #3
Insurance Carrier	New York Marine/ State National Insurance	New York Marine/ State National Insurance	Great American/ New York Marine/ State National Insurance	Great American/ New York Marine/ State National Insurance
Confidence Level	50%	50%	50%	50%
Self-Insured Retention	\$500,000	\$500,000	\$250,000	\$350,000
Buffer Limit	\$2,000,000	\$2,000,000	\$500,000	\$500,000
Buffer Excess Limit	\$0	\$0	\$2,000,000	\$2,000,000
Excess Attachment	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Limits of Coverage	Statutory	Statutory	Statutory	Statutory
1st Buffer Premium	\$0	\$0	\$422,900	\$253,580
2nd Buffer Premium	\$480,467	\$444,263	\$444,263	\$444,263
Excess Premium	\$196,248	\$196,248	\$196,248	\$196,248
Insurance Costs	\$676,714	\$640,511	\$1,063,411	\$894,091
Loss Control	\$2,500	\$2,500	\$2,500	\$2,500
Insurance Costs including Loss Control	\$679,214	\$643,011	\$1,065,911	\$896,591
Actuarial Claims Liabilities	\$8,040,333	\$7,114,636	\$6,479,873	\$6,850,152
Estimated Self Insured Fees (DSIP)	\$184,928	\$163,637	\$149,037	\$157,553
TPA Costs	\$590,000	\$620,000	\$620,000	\$620,000
Total Premium	\$9,494,475	\$8,541,284	\$8,314,821	\$8,524,296
1st Buffer layer Rate	0.0000	0.0000	0.1599	0.0959
2nd Buffer layer Rate	0.1817	0.1650	0.1650	0.1650
Excess Layer Rate	0.0742	0.0742	0.0742	0.0742
Insurance Costs Rate	0.2559	0.2392	0.3991	0.3351
Total Premium Rate	\$3.5898	\$3.2294	\$3.1438	\$3.2230

Claim Liabilities from November 2016 Bay Actuarial report

264,484,626

264,484,626

Alliant Insurance Services, Inc. | www.alliant.com | CA License No. 0C36861

*250k SIR funding is projected by Alliant Insurance Services

Premium Summary

Coverage	Expiring	Renewal Options	
Workers' Compensation including loss control fee:	<u>New York Marine/State National</u> \$500,000 SIR - \$607,357	<u>Option #1 - New York Marine/State National</u>	Premium
		Buffer Layer: \$1,500,000 XS \$500,000 SIR	\$444,263
		Excess Layer: Statutory XS \$2,500,000 SIR	\$196,248
		Total Premium including \$2,500 Loss Control Fee:	\$643,011
		<u>Option #2 - Great American /New York Marine/State National</u>	
		Buffer Layer: \$250,000 Limit XS \$250,000 SIR	\$422,900
		Buffer Layer: \$1,500,000 Limit XS \$500,000 SIR	\$444,263
		Excess Layer: Statutory Limit XS \$2,500,000 SIR	\$196,248
		Total Premium including \$2,500 Loss Control Fee:	\$1,065,911
		<u>Option #3 - Great American /New York Marine/State National</u>	
		Buffer Layer: \$150,000 Limit XS \$350,000 SIR	\$253,580
		Buffer Layer: \$1,500,000 Limit XS \$500,000 SIR	\$444,263
		Excess Layer: Statutory Limit XS \$2,500,000 SIR	\$196,248
		Total Premium including \$2,500 Loss Control Fee:	\$896,591

Payment Terms

- Premium is due within 30 days of policy inception

Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Disclosures - Continued

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY REGULATION 194 DISCLOSURE

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Other Disclosures / Disclaimers

FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Other Disclosures / Disclaimers – Continued

NRRA:

(Applicable if the insurance company is non-admitted)

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Other Disclosures / Disclaimers – Continued

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workplace Violence

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>

Oakland Unified School District - Request to Bind Coverage

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage	Effective Date
Workers Compensation	July 01, 2017
Select SIR Options below:	
<u>Option #1 - New York Marine/State National</u>	Premium
Buffer Layer: \$1,500,000 XS \$500,000 SIR	\$444,263
Excess Layer: Statutory XS \$2,500,000 SIR	\$196,248
Total Premium Including \$2,500 Loss Control Fee:	\$643,011
<input checked="" type="checkbox"/>	
<u>Option #2 - Great American /New York Marine/State National</u>	
Buffer Layer: \$250,000 Limit XS \$250,000 SIR	\$422,900
Buffer Layer: \$1,500,000 Limit XS \$500,000 SIR	\$444,263
Excess Layer: Statutory Limit XS \$2,500,000 SIR	\$196,248
Total Premium Including \$2,500 Loss Control Fee:	\$1,065,911
<input type="checkbox"/>	
<u>Option #3 - Great American /New York Marine/State National</u>	
Buffer Layer: \$150,000 Limit XS \$350,000 SIR	\$253,580
Buffer Layer: \$1,500,000 Limit XS \$500,000 SIR	\$444,263
Excess Layer: Statutory Limit XS \$2,500,000 SIR	\$196,248
Total Premium Including \$2,500 Loss Control Fee:	\$896,591
<input type="checkbox"/>	

Signature of Authorized Insurance Representative

Date:

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. *The actual terms and conditions of the policy will prevail.*



Oakland Unified School District

Option : 3.0 MRL \$250,000/\$250,000 FINAL

PROFORMA

JULY 1, 2017 to JULY 1, 2018

ESTIMATED CONTRIBUTION /PREMIUM SUMMARY

ReLiEF COVERAGES		MEMBER RETAINED LIMIT/ DEDUCTIBLE	CONTRIBUTION/ PREMIUM
LIABILITY	\$10,000,000 Limit Of Liability	\$250,000	\$940,887
PROPERTY	\$250,250,000 Total Insured Values (TIV)	\$250,000	\$905,814
ELECTRONIC DATA PROCESSING EQUIPMENT	\$22,129,692 Total Insured Values (TIV)	\$250	\$60,038
CRIME	\$5,000,000 Employee Dishonesty/Faithful Performance	\$2,500	\$7,350
CYBER LIABILITY	\$1,000,000 Security Breach Response Limit	\$25,000	\$6,017
EQUIPMENT BREAKDOWN	\$100,000,000 Total Insured Values (TIV)	\$1,000	\$48,241
SUBTOTAL PROGRAM COSTS			\$1,968,347
EXCESS LIABILITY	\$25,000,000 Excess Limit of Liability	\$10,000,000	\$63,182
EXCESS LIABILITY	\$50,000,000 Excess Limit of Liability	\$25,000,000	\$40,402
TOTAL PROGRAM COSTS			\$2,071,931

LIABILITY

2015/2016 LOTTERY ADA

42,981

EX MOD. - RETAINED

118

PROPERTY

TIV:

EX MOD. - RETAINED

\$1,842,652,407

126

Service Team:

Kyle McKibbin, Account Executive

Tara Cooper-Salaiz, Senior Account Manager/Team Leader



Run Date: 05/31/2017 02:57 PM

Report Date: 05/31/2017 02:57 PM

Manager: Keenan & Associates, 2355 Crenshaw Blvd, Suite 200, Torrance, CA 90501

(310) 212-3344, Fax (310) 212-0300 License No. 0451271

Run By: Robyn Tryon

Page 1

Confidential - Client use only



PROFORMA

JULY 1, 2017 to JULY 1, 2018

ESTIMATED CONTRIBUTION/ PREMIUM SUMMARY

Latest Real Property Appraisal Date 05/31/2013
Next Real Property Appraisal Date 05/31/2018

- PROGRAM COSTS \$2,071,931
- RISK MANAGEMENT RESERVE* \$ 19,589
- TOTAL PROGRAM COSTS \$2,091,520

*RESERVE = .015 x 6,529,596 SQ FT

FIVE YEAR CONTRACT

James Harris

Accepted by:

President, Board of Education

Authorized District Representative

Title:

Authorized District Representative

Devin Dillon, Ph.D.

Witnessed by:

Interim Secretary, Board of Education

Kyle McKibbin

SIGNATURE OF THE AUTHORIZED REPRESENTATIVE WILL BIND COVERAGE.

Keenan is compensated for the various services it provides in connection with the management and administration of Northern California ReLIEF (NCR), including general administration, financial processing, claims administration, loss control, reporting, marketing, underwriting, brokerage (reinsurance and other coverages) and reinsurance/insurance services. The compensation paid to Keenan is approved by the governing board of NCR and is included in the cost of member contributions. It is anticipated that the total compensation to be received by Keenan for these services for the 2017/2018 program year will not exceed 14% of total member contributions. This compensation does not include amounts payable to Keenan pursuant to separate contracts for services provided directly to individual members, the cost of allocated loss adjustment services provided in connection with individual claims, or reinsurance premium payable to Meritage Insurance Group, a wholly-owned subsidiary of Keenan, pursuant to a reinsurance contract. For additional information concerning Keenan compensation, see www.keenan.com/disclosure.asp.



Run Date: 05/31/2017 02:57 PM

Report Date: 05/31/2017 02:57 PM



**Oakland Unified School District
Estimated Contribution/Premium Summary
July 1, 2017 to July 1, 2018
Member Retained Limit
Liability \$ 250,000 Property \$ 250,000**

Proforma Footnote Report

1. 2015/2016 LOTTERY ADA:	Average Daily Attendance from the Department of Education with the exception of certain special agencies which use special ADA Exposure data. ADA has been factor updated by 1.04446 in compliance with the Government Code Section 8880.5(m) to compensate for the rate of excused absences.
2. T.I.V. Property:	Total Insurable Values(T.I.V.) based upon Statement of Values as confirmed by the District (TIV for Charter Schools, EDP and COC included, if applicable.)
3. T.I.V. - EDP:	EDP T.I.V. as confirmed by the District.
4. Liability:	Risk Factored ADA x adjusted ReLiEF rate plus ADA x \$9 Mil excess of \$1 Mil rate.Does not consider Special Agency flat fees and Super Pool minimum contributions.
5. Excess Liability:	Lottery ADA x Excess Liability Rate + Lottery ADA x Reinsurance Liability Rate
6. Property:	TIV/\$100 x Property Rate
7. EDP:	EDP TIV/\$100 x EDP Rate
8. Crime:	Lottery ADA x Crime Rate
9. Cyber Liability:	Lottery ADA x Cyber Liability Rate
10. Equip Brkdn:	Equipment Breakdown (B&M) Property TIV/\$100 x Equipment Breakdown Rate
11. Program Total:	Sum of Liability, Excess Liability, Property, EDP, Crime, Cyber Liability and Equipment Breakdown.