

Advisory Insurance Agency

Purpose

The purpose of this procedure is to provide the District with a competent, professional Advisory Insurance Agency (AIA) to be responsible for the implementation of a professionally designed and managed program of insurance protection, and to establish a comprehensive plan for the management of risks inherent in the operation of a public school system.

Process

1. The qualified AIA will provide a description of the insurance program currently in effect. The insurance coverage will include all property (including builder's risk), liability, employee fiduciary bonds, cyber, and workers compensation. In addition the AIA will provide professional advice and service as needed by the District.
2. The District will review on an on-going basis, insurance products that are in the best interest of the District and are providing excellent professional insurance advice and service.

Criteria

1. The AIA must employ at least one agent who has the Chartered Property Casualty Underwriter (CPCU) designation, and the primary servicing agent must hold the CPCU designation. All agents must be licensed by the State of Iowa.
2. Preference will be given to an AIA located within the Cedar Rapids metropolitan area.
3. The AIA must have in force contracts to represent at least five (5) property and liability insurance companies with the M. Best rating of A: Class 8. The insurance companies must either be a capital stock company or a non-assessable mutual company.
4. The AIA must have a policy for Errors and Omissions of at least \$2,000,000 and this certificate should be on file with the Board Secretary.

Duties and Conditions

1. The AIA will be responsible for maintaining the policies and controlling all renewal dates.
2. The AIA will provide assistance to the District in processing of claims.
3. All policies are to be written for terms most advantageous to the District. Term policies for more than one year are to be provided with annual premium payment provisions.
4. The AIA will provide the District with all necessary information that will enable the staff to report to the Board the complete costs and scope of the program. Such information will be provided in an annual report to the Board, and will include, but not be limited to, deposit premiums, prepaid annual premiums, return premium audits after the policy year is completed, and an explanation of how the premiums are calculated by each type of insurance. The report will show the incurred losses by line of insurance, review any outstanding engineering and safety recommendations, and other changes relevant to continuous risk management. The AIA will also assist the staff in the preparation of projected insurance costs at the time of budget preparation.

Approved: 12-22-80

Reviewed: 07-10-89

Revised: 08-28-89

Reviewed: 08-24-92

07-15-96

Revised: 12-14-98

09-08-03

03-10-08

01-13-14

Revised and Renamed: 02-25-19