

Downey Unified School District

ADMINISTRATIVE SERVICES

DISTRICT INSURANCE COVERAGE

AR 6341

Insurance Brokers and/or Agents - Participants in Program

Participating brokers and/or agents must meet the following minimum standards:

1. Must be a California licensed broker or agent.
2. Must have enjoyed a minimum volume of \$250,000 in insurance premiums in preceding year, or have a minimum of at least 100 active accounts.
3. Insurance must constitute a major source of income.
4. Must maintain an Errors and Omissions Insurance Policy in an amount of not less than \$500,000 and furnish evidence of such coverage to the Assistant Superintendent, Administrative Services, prior to the District's placement of any insurance.
5. Only capital stock insurance companies that have at least a B+ Class XII rating in the latest edition of Best's Insurance Guide will be acceptable as insurers for the District.
6. Must act as Servicing Agent for the District during the life of the policy.

Selection of Insurance Company and/or Companies

Insurance business shall be offered initially on a competitive basis except that brokers or agents in the Downey Unified School District shall be selected unless a price differential results when bid upon by agencies outside the District. Renewal of insurance previously bid upon may be made by obtaining competitive quotations or by negotiations between existing insurance company and the Assistant Superintendent, Administrative Services. When the interest of the District is best served by negotiation, the Assistant Superintendent, Administrative Services, shall be authorized to renew an existing policy through this procedure.

In all cases, however, the Board of Education shall reserve unto itself the right to decide between agencies and companies.