

Consider Obtainment of Directors and Officers Insurance

Policy Reference: *Board Governance*, OE-7, “Asset Protection,” pp. 34.

Background Information: At the April 15, 2024, Joint Finance/Human Resources committee meeting, information was shared regarding Director and Officers (D&O) insurance with coverage limits up to \$10 million.

A motion was approved to place the obtainment of D&O insurance on the next Board agenda as a business item.

Purpose: Horry County Schools (HCS) employees are covered by the Insurance Reserve Fund (IRF) in the amount of \$1 million for General Tort Liability. The IRF does not offer Directors and Officers insurance coverage. The Board requested that the administration seek additional information regarding the obtainment of D&O coverage as a supplement to the current coverage.

For additional information: Please contact John Gardner at 843-488-6896 or by e-mail at jgardner@horrycountyschools.net

Recommended Action: It is recommended that the Board authorizes the utilization of Unassigned General Fund - Fund Balance in the amount of \$216,307 to obtain a supplemental Directors and Officers policy pending the approval of the 2024-25 budget.

Estimated Project Cost: \$216,307

Recurring: X Non-recurring:
Funding Sources: General Fund