



New Jersey Schools Insurance Group

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www.njsig.org

Board of Trustees Meeting of May 20, 2015 Executive Director's Report

Beginning in 2014 NJSIG retained Archer & Greiner Public Affairs for \$5,000 annually to keep the Group informed regarding legislative affairs. For 2015 Archer Public Affairs will be engaged in helping NJSIG lead a multi-public entity effort surrounding best practices in responding to OPRA requests. A recent case of New Jersey schools sued by a publisher over redacted evacuation procedures and new technologies such as body cameras make OPRA a contemporary topic of interest for NJSIG Members. The Group will assume a leadership role in the discussion.

Sub Fund Administrators were asked to study the topic of NJSIG broker qualifications and make recommendations regarding NJSIG broker minimum requirements. Guidance received from the sub fund administrators will be used to develop a set of fair broker requirements, guidance for members regarding minimum broker performance expectations and recommended broker compensation transparency protocols. The standards will be brought before the Trustees for adoption at the June meeting.

Workers' Compensation staff, Legal Liability staff, and a Reporting Analyst have been added to the proposed organization chart. The Hay Group position evaluations for the Underwriting Department will be updated. There are eight vacant positions in the organization chart which will be evaluated after July 1, 2015 when the renewal results are known.

Defense counsel fees for liability and workers' compensation are increasing by approximately 10% effective July 1, 2015. The last increase occurred in 2012. The Claims Department has identified Marshall, Conway and Bradley as preferred coverage counsel after interviewing several firms under consideration. Coverage counsel may be engaged for special claims situations warranting specialized expertise, or in matters conflicting with the use of established NJSIG counsel.

The Towers Watson contract was signed and submitted after Board of Trustees approval at the March meeting. The renewal contract for CS STARS is being renewed for five years at an annual cost of \$25,000 for Loss Control and Claims licensing and services.

NJSIG hosted a Broker Meeting on April 22, 2015 in East Windsor. The meeting provided a forum to review the Department of Education's building requirements and the impact on school construction costs and related insurance requirements, new protocols for errors & omissions claims, introduction of the new NJSIG locations and review of the NJSIG reorganization and service delivery model, and the results of the reinsurance renewal and 2015 renewal pricing. NJSIG received positive feedback from the 100 attending brokers, who requested the meeting be held annually.



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The NJSIG Trustee nomination and selection process as established involves the NJSIG Executive Director requesting nominations from the relevant association Executive Director of NJASA, NJSBO and NJSBA. The NJSIG Executive Director meets with the nominee and invites the nominee to the next scheduled Board of Trustees meeting for introduction to the Board and a vote. The current procedure comports with the NJSIG Code of Conduct for Trustees to refrain from promoting any candidate for election or appointment to the Group's Board of Trustees. It is suggested that that beginning immediately, a candidate's (curriculum vitae) CV's are sent by the NJSIG Executive Director to all seated Trustees immediately upon receipt. Further, the Executive Director will arrange a meeting time and place for the Trustees in the candidate's region (North, Central, or South) to meet with the candidate. All other seated Trustees will then be invited, but not expected, to attend the meeting. The attending Trustees and the Executive Director will collectively decide by majority vote to present the candidate to the full Board for consideration and vote.

William Mayo

William Mayo, CPCU, ARM
Executive Director