



## New Jersey Schools Insurance Group

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Board of Trustees Meeting of June 17, 2015  
Action Item  
Professional Services Approval 2015/2016

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### Five Year Cycle for Profession Services Review

Towers Watson was approved as the actuary of record by the entire Board of Trustees at the March 25, 2015. I have updated the five year schedule for professional services review based on that action.

	Year	Group	Discussion Date	Committee Formation Date	Action Date
1.	2015-2016	Broker	10/2015	11/2015	10/2016
2.	2016-2017	Attorney	9/2016	10/2016	5/2017
3.	2017-2018	Auditor	9/2017	10/2017	3/2018
4.	2018-2019	Claim Auditor	9/2018	10/2018	2/2019
5.	2019-2020	Actuary	10/2019	11/2019	5/2020

As per the NJSIG bylaws and regulations the Group operates within the Public School Contracts Law. Article V. Organization, Section E. Retained Officials found in the NJSIG bylaws says the “Trustees shall meet and select, in conformance with Public Schools Contracts Law, where applicable, by majority vote, individuals of firms to serve in the following retained positions”. Included in that section are positions identified as the Executive Director, Auditor (independent certified public accountant), Service Agent (...appoint Executive Director to receive service and process on behalf of the Group), and vacancy of employee positions. This last “position” has been managed by Subsection 5a. of Article V which states (...at the pleasure of the Executive Director on a non-contractual basis as employees at will).

In keeping with this requirement I recommend the Group approve the financial auditor (Nisivoccia), actuary (Towers Watson), Group attorney (Archer and Greiner), broker (Willis Pooling) and claim auditor (RHB Consulting). Since each firm represents a professional service the Trustee approval is for 12 months.

**Recommended Resolution:** Approve Nisivoccia as the financial auditor, Towers Watson as the actuary, Archer and Greiner as the Group’s legal counsel, Willis Pooling as the Group’s insurance broker and RHB Consulting as the claim auditor for the 2015/2016 fund year.

*William Mayo*

William M. Mayo, CPCU, ARM  
Executive Director

## **E. RETAINED POSITIONS**

The Trustees shall meet and select, in conformance with Public Schools Contracts Law, where applicable, by majority vote, individuals or firms to serve in the following retained positions:

### **1. Executive Director**

- a. The Executive Director shall be experienced in Risk Management matters and shall not be a Trustee of the GROUP.
- b. The Executive Director and other employees, shall not be an employee, officer or director of, or have either a direct or indirect financial interest in, a servicing organization.
- c. The Executive Director shall have the duties and responsibilities as set forth in policy and job description adopted and regularly reviewed by the Board of Trustees:

### **2. Auditor**

The auditor shall be an independent Certified Public Accountant (CPA) or Registered Municipal Accountant (RMA) but shall not be a Trustee. The auditor shall conduct the annual audit of the GROUP and may perform such other duties as provided for by the Trustees, these Bylaws and the laws and regulations of the State of New Jersey.

### **3. Service Agent**

The GROUP shall designate and appoint the Executive Director to receive service and process on behalf of the GROUP.

### **4. Vacancy of Retained Positions**

In the event of a vacancy in any of the retained positions, the Trustees shall by majority vote fill the vacancy. In the event that any of the retained positions are incapacitated, the Trustees shall by majority vote appoint an acting retained position.

### **5. Vacancy of Employee Positions**

- a. All employees shall be retained at the pleasure of the Executive Director on a non-contractual basis as employees at will.
- b. Employees shall be compensated for their services pursuant to written fee or salary guidelines submitted annually and approved by a majority of the Trustees.