



1-888-NJ Pool 1

New Jersey Schools Insurance Group

6000 Midlantic Drive, Suite 300 North
Mount Laurel, New Jersey 08054
(609) 386-6060 • FAX (609) 386-8877
www.njsig.org

Board of Trustees Meeting of March 15, 2017

Action Item

Proposal to Extend Sub Fund Contracts

While the ERIC North and MOCSIFF sub fund administration contracts expire on June 30, 2017, the remaining five sub fund administration contracts will remain in effect until June 30, 2018. In conjunction with the new NJSIG contracting procedures, NJSIG intends to engage in a competitive contracting process for all sub fund administration contracts effective July 1, 2018. Thus, it is proposed that the ERIC North and MOCSIFF sub fund administration contracts be extended for a period of one year under the existing contract terms and conditions so as to align the expiration dates of all sub fund administration contracts.

Recommended Resolution: to approve the ERIC North and MOCSIFF Sub Fund administration contracts be extended for a period of one year expiring June 30, 2018, under the existing terms and conditions so as to align the expiration dates of all sub fund administration contracts.

William Mayo

William Mayo, CPCU, ARM
Executive Director



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Resolution Authorizing the Execution of Contracts Pursuant to the Public School Contracts Law

WHEREAS, the New Jersey Schools Insurance Group (“NJSIG”) is authorized by N.J.S.A. 18A:18B-1, et seq. to provide insurance coverage for its members;

WHEREAS, NJSIG requires extraordinary unspecifiable services in the form of sub fund administration services to aid in management of the organization; and,

WHEREAS, such service is in the nature of an exception to the bidding requirements as an extraordinary unspecifiable service as evidenced by the qualitative nature of these services as set forth in the Certification of the Executive Director; and

WHEREAS, the Executive Director has executed a Certification pursuant to N.J.A.C. 5:34-2.3(b), which said Certification is attached; and

NOW THEREFORE, BE IT RESOLVED, on this 15th day of March, 2017 that:

- 1) NJSIG awards the contract the provision of sub fund administration services for the Educational Risk and Insurance Consortium West sub fund to Brown & Brown Metro, Inc.;



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Resolution Authorizing the Execution of Contracts Pursuant to the Public School Contracts Law

- 2) NJSIG awards the contract for the provision of sub fund administration services for the Monmouth Ocean County Shared Services Insurance Fund sub fund to Boynton & Boynton.
- 3) The Executive Director is hereby authorized to execute the contracts with the above-referenced service providers;
- 4) These contracts are awarded in accordance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.;
- 5) These contracts are awarded without competitive bidding as “Extraordinary, Unspecifiable Services” under the provisions of the Public School Contracts Law, and more specifically noted in N.J.S.A. 18A:18A-5(a)(2).
- 6) A notice of this action shall be published once in the official newspaper designated by the New Jersey Schools Insurance Group.

I certify that the foregoing is a true copy of a Resolution passed by the New Jersey Schools Insurance Group at the meeting duly held on the 15th day of March, 2017.



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Resolution Authorizing the Execution of Contracts Pursuant to the Public School Contracts Law

New Jersey Schools Insurance Group

By: _____
Irene Le Febvre, Chairperson

Board Secretary
Use Only

DATE:

MOVED BY:

SECONDED BY:

VOTE:



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Certification pursuant to N.J.A.C. 5:34-2.3(b)

To: NJSIG Board of Trustees

From: William M. Mayo, CPCU, ARM

Date: March 15, 2017

Subject: Extraordinary unspecifiable service contract for sub fund administration services for the administration of the Educational Risk and Insurance Consortium West and Monmouth Ocean County Shared Services Insurance Fund sub funds.

This is to request an award of a contract without the receipt of formal bids as an Extraordinary Unspecifiable Service, N.J.S.A. 18A:18A-5(a)(2) and N.J.A.C. 5:34-2.3(b). I do hereby certify to the following:

1. **Provide a clear description of the nature of the work to be done:** Sub fund administrators are responsible for administering a NJSIG sub fund in the specified geographic area. Sub fund administrators are responsible for providing safety and risk management (loss control) services to sub fund members. This includes planning and execution of education conferences, aggregating and analyzing member loss issues and trends, communication regarding NJSIG policy and NJSIG sub fund policy with members of the sub fund and the brokers of record for sub fund members, governance of the sub fund rate stabilization fund and administration of safety grant allocation, acting as a communications conduit to the NJSIG Board of Trustees,



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campaign, providing support services brokers within their sub fund to retain existing sub fund members and acquire new sub fund members, and must be trusted members of the brokerage community.

- 2. Describe in detail why the contract meets the provisions of the statute and rules:** NJSIG's requirements for these sub fund administration services are based on the unique needs of managing a public entity risk pool with over four hundred members. These contracts meet the provisions of N.J.S.A. 18A:18A-2(g) based on the advice of counsel, and because the sub fund administration services that NJSIG requires are specialized and qualitative in nature, as demonstrated by the qualitative nature of the receivables set forth in paragraph one.
- 3. The service(s) is of such a specialized and qualitative nature that the performance of the service(s) cannot be reasonably described by written specifications because:** These sub fund administration services require the ongoing evaluation of issues implicating the longevity and stability of NJSIG's position in the State of New Jersey insurance market, including the reputational equity of the organization. Because these sub fund administration services require an experienced and trusted insurance broker, they are



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necessarily qualitative in nature, and cannot be fully described by written specifications.

4. **Describe the informal solicitation of quotations:** The informal solicitation of quotations involved an evaluation of the insurance and insurance brokerage market in the State of New Jersey, and my experience in evaluating brokers in the State of New Jersey.
5. I have reviewed the rules of the Division of Local Government Services pursuant to N.J.A.C. 5:34-2.1, et seq. and certify that the proposed contract may be considered an extraordinary unspecifiable service in accordance with the requirements thereof.

Respectfully submitted,

Print Name

Signature

Title

(Original to be retained by the NJSIG Board of Trustees Clerk with the affirmed copy of the resolution; signed duplicate to be kept by appropriate official).