



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 September 20, 2017 Board of Trustees Meeting Minutes of June 21, 2017

New Jersey Schools Insurance Group's (NJSIG) Board of Trustees Meeting of June 21, 2017 at NJSIG's Mount Laurel office.

ATTENDEES

Trustees: Thomas F. Connors, Irene Le Febvre, Joseph Meloche, Steven Robinson, and Dana Sullivan.

Participants: David Rapuano, Esquire representing *Archer & Greiner*, Dave Ritch representing *Willis Re*.

NJSIG

Staff: William Mayo, *Executive Director*; Michele Carosi, *Comptroller*; Jill Deitch, *Chief Legal Officer*; Stephen Tucker, *Assistant General Counsel*; Anthony Jones, *Safety and Risk Control Manager*; Terrence Barlow, *Senior Safety and Risk Control Consultant*; Kelly Machu, *Underwriting/Client Relations Manager*; Anthony Ruggeri, *Claims Manager*; and Renee Johnson-Payne, *Executive Assistant*.

ITEM #1 CALL TO ORDER

With a quorum present, the meeting was called to order at 4:16 p.m. In accordance with the Sunshine Law, due notice of all pending meetings was given to the *Atlantic City Press*, *Newark Star Ledger*, and *Trenton Times* on January 6, 2017. Copies of these notices are on file with the New Jersey Secretary of State.

ITEM #2 ROLL CALL

Thomas F. Connors, Ph.D.	√	Gerald North	A
James J. Jencarelli, Jr.	A	Steven K. Robinson	√
Irene Le Febvre	√	Christopher Russo, Ed. D	A
Joseph Meloche	√	Dana Sullivan	√



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ITEM #3 ACCEPTANCES OF THE PUBLIC AND EXECUTIVE SESSION MINUTES OF MAY 17, 2017.

Action Taken: M (Meloche) | S (Connors) | Abstention (Sullivan) | Carried (Affirmative Votes Connors, Le Febvre, Meloche, Robinson) to accept the May 17, 2017 Public Session Board of Trustees Meeting Minutes.

ITEM #4 PUBLIC PARTICIPATION

There was no public participation.

ITEM #5 SUB-FUND LIAISONS – Reports/Comments

There were no Sub-Fund liaison reports or comments.

ITEM #6 REPORTS

A. Executive Director's Report

William Mayo, Executive Director, reported he has been busy with the Office of Legislative Service audit, renewal pricing and contracts.

B. Comptroller

Comptroller, Michele Carosi, reported the Accounting Department had an RFP go out for payroll services. We only had one respondent which was the incumbent vendor Paychex. We are satisfied with the progress made with the new Paychex representative and we will benefit from the discount. Trustee, Steven Robinson, questioned why we getting so few respondents in the RFP process. A discussion took place regarding the process by which RFP's are advertised.



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C. Client Relations and Underwriting Report

Kelly Machu, Client Relations and Underwriting Manager, reported as of today Underwriting completed three hundred thirty quotes, sixty-four left to quote, and sixteen outstanding applications that are being followed up on by Client Relations daily. One hundred eighty five lock and binds were received and reviewed sixty new business applications. We have one hundred ten invoices processed through the Underwriting system. We have one hundred forty members of the MOCSSIF and ERIC West sub-funds ending their three-year commitments to NJSIG.

D. Safety & Risk Control Report

Tony Jones, Safety and Risk Control Manager, had no additional information to add to his written report, but offered to answer questions.

E. Claims Report

Tony Ruggeri, Claim Manager, introduced the new Liability Claim Supervisor, Sherwin Archibald and gave a brief description of his past employment.

Tony Ruggeri reported the Claims Department recently completed the 2017 Internal Claims Audit, which went very well. He also reported our CAT preparedness plan is complete should we ever need it.

F. Information Technology

Jeff Cook, Information Technology Manager, had no additional information to add to his written report, but offered to answer questions.

ITEM #7 DISCUSSION ITEMS

A. Contracts:

Executive Director, William Mayo, announced there are two discussion items for this evening. NJSIG has been following closely the new policy procedures for contracting following the school contracting law. There are two RFPs that we have obtained permission to use competitive contracting workers?



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compensation managed care and property appraisal services.

We are also working on an request for proposals for sub-fund administrators. We anticipate completing this RFP process by January 1, 2018. Prior to publishing the RFP, we anticipate issuing a public request for comments so as to solicit comments from the relevant stakeholders. Once the comment period has concluded, we anticipate submitting a request to the State of New Jersey to request permission to use competitive contracting for this procurement.

Irene Le Febvre, Chair, questioned the services provided by the sub-fund administrators. William Mayo, explained sub-fund administrators provide a platform for regional training because regionalization is critical. They provide that training to the members. They cover the cost of the facility, luncheon and speakers. In some cases, the sub-fund administrators absorb the cost that's post-op or pre-employment physical evaluation test, and they also share the cost of Legal One training services. They shepherd the sub-funds working as a group. Their job is to monitor the participants within those sub-funds that are not performing well, by encouraging the loss control.

B. Office of Legislative Services (OLS):

William Mayo conveyed the Office of Legislative Services came to our office in early May. We had a very productive meeting with them and it included an Assistant State Auditor. At the conclusion of that meeting OLS agreed to continue this discussion.

ITEM #8 ACTION ITEMS

A. Payroll Adjustment

William Mayo explained an employee assumed the payroll and benefits functions effective February 3, 2017; however, her salary was only adjusted in April 2017 to recognize these additional duties. This payroll adjustment was made retroactive to February 3, 2017. Per the request of the State of New Jersey, Department of the Treasury, Division of Pension and Benefits, because this retroactive salary adjustment crosses reporting quarters, it must be ratified by the NJSIG Board of Trustees for pension purposes.



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Action Taken: *M (Connors) | S (Meloche) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to ratify the payroll change notification for Maryann Osborn.*

B. Competitive Contracting:

1. Outside Counsel

Action Taken: *M (Connors) | S (Meloche) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve the firms identified in the resolution be designated as outside counsel in the respective areas.*

2. Payroll Administration Database Software & Services

Action Taken: *M (Robinson) | S (Meloche) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve the contract for payroll administration database software and services be awarded to Paychex, LLC based on the results of the committee's evaluation.*

C. Second Reading:

1. 2017/2018 Draft Budget

Action Taken: *M (Robinson) | S (Meloche) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve the draft 2017/2018 budget as a second reading.*

2. 2017/2018 Plan of Risk Management

Action Taken: *M (Meloche) | S (Connors) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve the draft 2017/2018 Plan of Risk Management as a second reading.*



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3. 2017/2018 Proposed Meeting Dates

Action Taken: M (Sullivan) | S (Connors) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve the proposed 2017/2018 meeting dates as shown as a second reading with the understanding there will be a Board retreat and GoTo Meeting scheduled between November 2017 and March 2018.

D. Checking Accounts & New Claims Ratification

Action Taken: M (Sullivan) | S (Meloche) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve and ratify the checks and new claims which have been issued from accounts XXXX392 (operating account) and XXXX555 (claim account) for the period of 5/1/2017 to 5/31/2017 as shown in the online (Microscribe) version of the meeting package.

ITEM #9 NEW BUSINESS

There was no new business.

ITEM #10 EXECUTIVE SESSION

EXECUTIVE SESSION

EXECUTIVE SESSION RESOLUTION

WHEREAS, N.J.S.A. 10:4-6 et. seq., (“the Open Public Meetings Act”), authorizes public entities to meet in executive session under certain circumstances; and

WHEREAS, the Open Public Meetings Act requires that the Group adopt a resolution at a public meeting to go into private session; now, therefore,

BE IT RESOLVED by the Board of Trustees of the New Jersey Schools Insurance Group, that it is necessary to meet in executive session to discuss certain items involving:

- 10A. Litigation;
- 10B. Attorney client privilege



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BE IT FURTHER RESOLVED that any discussion held by the Board of Trustees which need not remain confidential will be made public as soon as feasible. The minutes of the executive session will not be disclosed until the need for confidentiality no longer exists.

FURTHER RESOLVED that the Board of Trustees will return to open session to conduct business at the conclusion of the executive session.

Action Taken: ***M (Connors) | S (Robinson) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to approve Terrence Barlow's outside employment as outlined in the May 22, 2017 request for approval of outside employment or other activity form is approved subject to the following restrictions: that he does not perform tasks related to this outside employment during NJSIG's normal operating hours of 8:30 a.m. to 4:30 p.m. and that he does not use NJSIG resources to perform tasks related to this outside employment.***

Action Taken: ***M (Meloche) | S (Robinson) | Carried (Affirmative Votes = Connors, Le Febvre, Meloche, Robinson, Sullivan) to adjourn meeting at 5:49 p.m.***

William Mayo

William M. Mayo, CPCU, ARM
Executive Director