



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](http://www.njsig.org)

### Board of Trustees Meeting of September 21, 2016 Executive Director's Report

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We are pleased to announce the addition of Stephen Tucker to NJSIG. Steve is working closely with Jill Deitch on compliance and legal defense matters, and is assigned to the Mount Laurel office. Legal, Loss Control and Human Resources are now combined under Jill's direction, enabling NJSIG to better serve Member needs in employment practices risk control. A revised organization chart is attached.

NJSIG continues to respond to seemingly endless and sometimes redundant requests from OLS auditors for reports and documents. OLS has four staff now in their 21<sup>st</sup> week in residence at NJSIG. The burden falls on every department but is most disruptive to the Accounting Department. In spite of this truly onerous distraction, staff has performed well in keeping the operations moving forward through the renewal season and through the fiscal year-end initiatives. Accounting Department has also been working with alternative suppliers for payroll services, and successfully issued an RFP for Banking and Investment services.

Underwriting Department reports a very successful renewal year, adding eleven new Members and \$6 million of premium volume. Underwriting results for the 2015-2016 year are favorable. The department invested considerable time and effort in staff training, strategic growth and adoption of analytics. The department recently released an RFP for reinsurance brokerage services.

The Information Technology (I.T.) Department continues to support each of the operating units with new analytic products despite the extraordinary demands from OLS auditors. I.T. supports a higher level of sophistication in operations and greatly enhances internal controls and operating efficiencies. The latest project involves predictive analysis of workers' compensation claims that we expect will have a material beneficial impact on Member costs.

The Legal Department is now organizationally aligned with Human Resources and Loss Control Departments to bring additional and contemporary resources to Members. Our HR Manager's role has expanded to include client-facing initiatives in conjunction with Loss Control Department aimed at reducing employment practices claims. The HR Manager successfully completed the staff performance review process this month, handled two severance situations, and aided in the search and on-boarding of three key staff positions. Legal is working with each department to ensure compliant RFP and contracting practices, as well as managing defense counsel relationships and litigation. Trustees should expect to see revised purchasing policies and procedures for their consideration in the near future.

Under the leadership of the new Claims Manager, the Claims Department has moved toward a collaborative approach that enhances interaction within the department and with other departments. The outside adjuster's position was found to be inefficient and was eliminated. Claims Department is actively finding operational efficiencies in conjunction with I.T. and Legal. Claims Department is also soon releasing an RFP for managed care services and an RFP for property loss adjustment services.



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In summary, NJSIG staff have worked very hard to perform at the highest level, invest time and energy in new initiatives, and produce great results despite the burdensome demands of nearly continuous audits for 18 months. Their efforts and work product are commendable.

NJSIG's auditor, Nisivoccia, advises that they are not able to determine the State's calculation accuracy for NJSIG's GASB68 balance sheet impairment. The impairment has now grown to \$15.7 million. NJSIG will approach NJ Division of Pensions & Benefits to try to gain a better understanding of the calculation and what we should expect in the future. Budgeting for future GASB68 additions to the balance sheet impairment is a necessary determinant of Member rates each year.

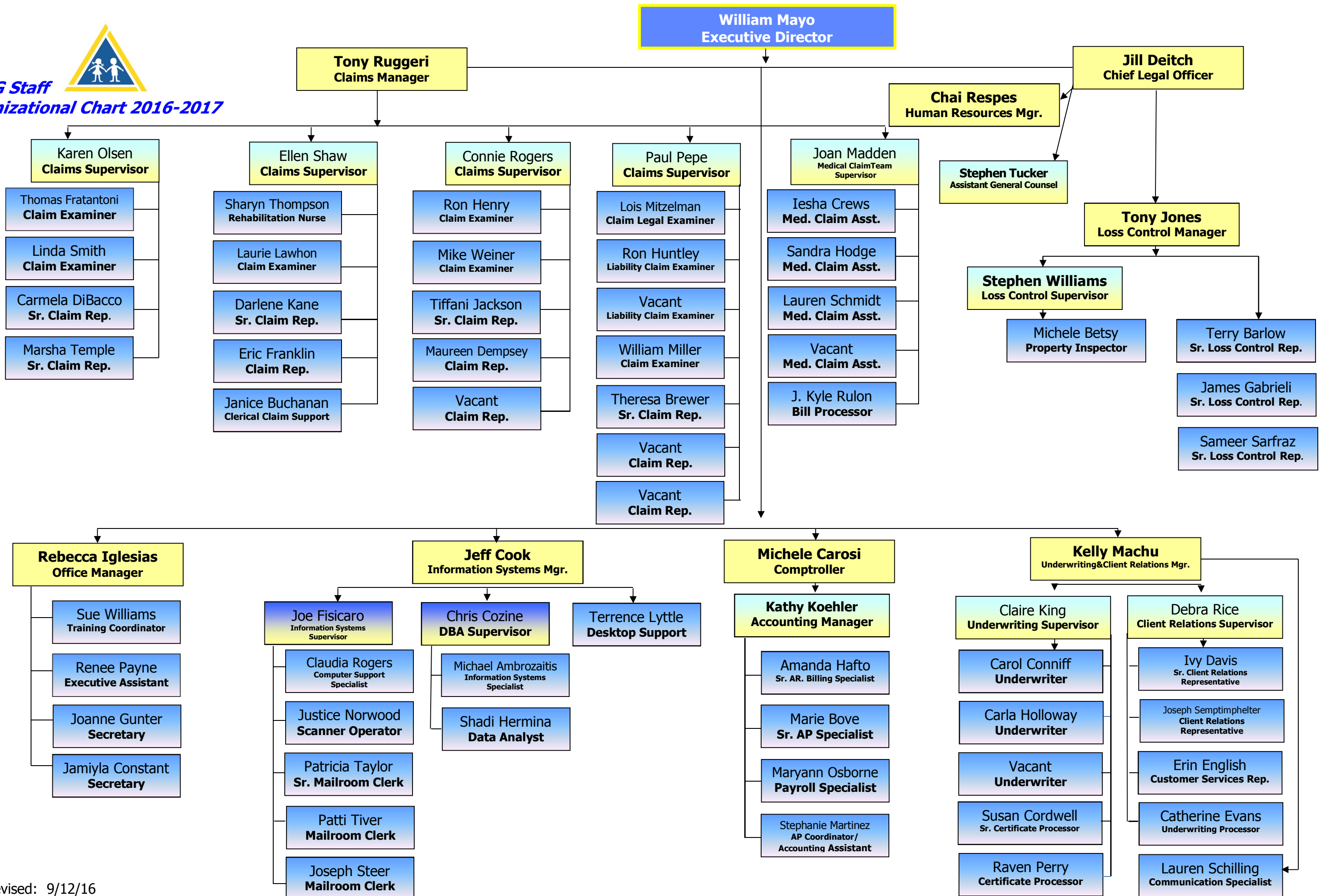
NJSIG will again participate in the New Jersey School Boards Association conference, providing the electronic agenda and sponsoring coffee for the conference attendees. NJSIG is also providing training sessions, but in classrooms off of the convention floor. The annual meeting and reception will be combined this year and will be preceded by a brief Board of Trustees meeting. NJSIG is pleased to participate and sponsor training for the NJSBA new Board Member Retreat in January. A draft press release is attached for your reference.

Respectfully,

*William Mayo*

William Mayo, CPCU, ARM  
Executive Director

**NJSIG Staff**  
Organizational Chart 2016-2017



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## NEWS RELEASE

### **New Jersey Schools Insurance Group Contribution Will Support Training for New School Board Members**

TRENTON, August XX, 2016—The Educational Leadership Foundation of New Jersey, a non-profit arm of the New Jersey School Boards Association (NJSBA), today announced that it has received a contribution from the New Jersey Schools Insurance Group (NJSIG) to support the Association's intensive New Board Member Weekend Orientation program for new public school board members.

NJSIG recognizes the importance of starting New Jersey's new school board members off on the right foot, and we thank them for their support of NJSBA's New Board Member Orientation program," said Dr. Lawrence S. Feinsod, Chief Executive Officer of ELFNJ, and NJSBA Executive Director. "Research shows that a well-functioning, well-trained board can directly and positively impact student achievement. The New Board Member Orientation program provides the robust training that is critical for our school board members to lead our public schools into the 21<sup>st</sup> Century and we are pleased to work with NJSIG on this important training program." NJSIG has almost 35 years of experience helping New Jersey school districts by providing extensive training aimed at making schools safe.

New Jersey law mandates training for public school board members each year of their first three-year term, and in the first year of a re-elected or re-appointed term. The New Board Member Orientation weekend programs provide hands-on training, immersing new board members in topics such as school law, finance, risk management and policy, and gives board members the opportunity to work in small groups under the direction of skilled leaders. The next New Board Member Orientation weekend program will take place in January 2017.

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The New Jersey School Boards Association is a federation of more than 580 local boards of education, and includes charter school associate members from most of the charter schools in the state. NJSBA provides training, advocacy and support to advance public education and promote the achievement of all students through effective governance.

The Educational Leadership Foundation of New Jersey, created in 2008, is an affiliate of the New Jersey School Boards Association and works to advance public education through training, research and attaining grants to further professional development. It serves New Jersey's local boards of education, public charter school boards of trustees, other public entities and non-profit organizations.

New Jersey Schools Insurance Group is recognized as one of the largest school insurance funds in the nation. NJSIG administers more than 6,000 claims annually on behalf of its 400 members and has provided hundreds of millions of dollars in savings by reducing Member's risk-related costs. Since 2008 NJSIG has provided more than \$25 million in safety grants to New Jersey public schools.