



New Jersey School Boards Association Insurance Group

450 Veterans Drive
Burlington, New Jersey 08016
(609) 386-6060 • FAX (609) 386-8877
www.njsbaig.org

Board of Trustees Meeting of September 12, 2012

Discussion Item

Financial Auditor Review

There are five professional service providers that report directly to the NJSBAIG Trustees. These are financial auditor, actuary, claim auditor, insurance broker, and legal counsel. The attorney has been reviewed by a Trustee subcommittee and a recommendation made for a contract beginning 7/1/2012.

On a rotating basis I recommend a subcommittee of the whole Board evaluate the providers of these services from the perspective of quality and price. This evaluation will help to ensure these service providers continue to provide the professional services required by the Trustees at a competitive price.

Below is a five year cycle for professional services review.

Five Year Cycle for Professional Services Review

	Year	Group	Discussion Date	Committee Formation Date	Action Date
1.	2012-2013	Auditor	9/2012	10/2012	5/2013
2.	2013-2014	Actuary	10/2013	11/2013	5/2014
3.	2014-2015	Claim Auditor	5/2013	6/2013	11/2014
4.	2015-2016	Broker	10/2014	11/2014	10/2015
5.	2016-2017	Attorney	9/2016	10/2016	5/2017

Notes:

1. A discussion in 9/2012. A committee formed in 10/2012. A decision made in 5/2013.
2. In the year that the actuary contract will be evaluated the “yearly” approval in September will be for the 9/30 pricing study as opposed to the entire year. We will not be committed to the 6/30 reserve study. Based on the RFP process the actuary can be changed for the 6/30 reserve study. A discussion in 10/2013. A committee formed in 11/2013. Decision made in 5/2014.
3. A discussion in 5/2013. A committee formed in 6/2013. A decision made in 11/2013.
4. A discussion in 10/2014. A committee formed in 11/2014. A decision made in 10/2015.



New Jersey School Boards Association Insurance Group

450 Veterans Drive
Burlington, New Jersey 08016
(609) 386-6060 • FAX (609) 386-8877
www.njsbaig.org

Professional Services Review – Discussion Item
Board of Trustees Meeting September 12, 2012
Page 2

5. A discussion in 9/2016. A committee formed in 10/2016 with an action item date of 5/2017.

Based on the schedule above the professional services contract for a financial auditor is due to be reviewed.

Marty

Marty Kalbach
Director
mkalbach@njsbaig.org