

**BOARDS OF DIRECTORS**  
of  
Member Companies of the Nonprofits Insurance Alliance Group

**ROLES AND RESPONSIBILITIES**

The member companies of the Nonprofits Insurance Alliance Group are Nonprofits Insurance Alliance of California (NIAC), Alliance of Nonprofits for Insurance, Risk Retention Group (ANI), National Alliance of Nonprofits for Insurance (NANI) and Alliance Member Services (AMS). Each of these companies is governed by an independent board of directors. Approximately one-third of each of these boards is elected annually by their respective memberships. Terms are for three years.

This is an outline of the responsibilities of member companies in the Nonprofits Insurance Alliance Group. The first part of this document addresses general responsibilities, the specific tasks required to discharge the responsibilities and the obligations of individual directors of member companies. The second part of this document lists responsibilities that are specific to one or more of the individual company boards.

Part I

**GENERAL RESPONSIBILITIES:**

- 1) Establish and affirm the mission of the company and approve supporting policies.
- 2) Assure that the company is directing operations in conformance with established policies and that goals and objectives are achieved.
- 3) Approve major service contracts.
- 4) Assure long-term financial viability including asset protection and effective resource expenditures.
- 5) Evaluate results at least

annually. **SPECIFIC TASKS:**

- 1) Approve annual operating budget.
- 2) Monitor actual vs. budgeted income and expense items as well as goals/objectives.
- 3) Elect and remove officers.
- 4) Select auditor.
- 5) Approve outside auditor's report annually.
- 6) Approve permissible bylaw changes.
- 7) Recruit, evaluate and nominate potential directors as submitted by the membership annually.
- 8) Approve changes to the membership fee or broker commissions.
- 9) Establish investment policies and modifications.
- 10) Designate and populate committees of the board

## INDIVIUAL DIRECTOR OBLIGATIONS:

- 1) Attend regularly scheduled board and committee meetings.
- 2) Serve on at least one standing committee, as requested.
- 3) Serve as a board officer or committee chair, as requested.
- 4) Prepare thoroughly for board meetings and participate actively.
- 5) Provide company with advice and assistance on matters of expertise.
- 6) Attend a meeting of members in director's local area, as requested.
- 7) Promote the company within the director's own community and field of

interest. Part II

The following additional responsibilities apply to the relevant companies:

NIAC, ANI and NANI

- 1) Appoint outside actuary annually

AMS

- 1) Hire and dismiss the Chief Executive Officer.
- 2) Evaluate the performance of the Chief Executive Officer.
- 3) Approve compensation practices generally and specifically approve annually the compensation of the Chief Executive Office and the Chief Financial Officer
- 4) Establish personnel policies and monitor their application
- 5) Recommend changes to board policies of all companies, as needed.