

VIS® CONNECTIONS

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We are happy to provide you our publication for nonprofit risk managers, as part of our service to you. The titles in the contents section link directly to their articles, so you can navigate quickly. If you need to change the email address to which this is sent, please send your instructions to our [Communication Department](#). Be sure to include your name, organization and address. You also are welcome to call us at 800.468.4200 for assistance.

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William Henry named executive director of VIS®

William Henry has been named executive director of Volunteers Insurance Service Association, Inc. (VIS®). Our organization currently makes insurance programs and risk management services available to volunteers and boards of directors of some 5,000 public-sector and private-sector nonprofits in all 50 states, the District of Columbia, Puerto Rico, and the Virgin Islands.

William was vice president and director of communication at The CIMA Companies, Inc., the independent insurance broker that provides insurance and administrative services for VIS® members under contract with VIS®. While with CIMA, he was involved in a number of VIS® support activities, including writing this publication. Before joining CIMA, he had been director of public affairs for the Associated General Contractors of America, and a reporter for two daily newspapers in North Carolina.

With William's appointment, VIS® has begun a campaign to increase membership and member services, through a number of initiatives.

"We want VIS® members to consider us an indispensable resource for information and individual help," he said. "We also encourage members to let us know what additional services

we might provide that would make their lives easier with respect to insurance, or the management of risk, in their organizations.”

More information will be coming in the months ahead about VIS® services. (NOTE: When you receive written communication from us that includes a request to verify your email address, please take a moment to check the address and update if needed. That will allow us to be sure our email communication reaches you. We know you are busy, and we will not abuse the privilege of having your email address.)

Contact [William Henry](#).

The CIMA service team for VIS® members continues unchanged:

[Victoria W. Brooks](#), Account Executive
[Laurie S. Coleman](#), Senior Vice President
[Deborah H. Custis](#), Senior Account Executive
[Aaron Jones](#), Account Executive
[Joan R. Wankmiller](#), Account Executive

Toll-free: 800.468.4200

Thank you for thinking of us

Every week, more nonprofit organizations become members of VIS and apply for insurance through one or more of our programs – insuring their volunteers, their directors and officers, their office operations, and often all three. When we ask these new customers how they learned about us, we hear a variety of answers. Many say they found us online. Others say they heard about us at a conference or other meeting they attended. Still others say they are new in the job, and found information about our programs in some old files. But a great many tell us that a friend who is already a member of ours recommended us.

That last answer – the personal testimony – is the one we most like to hear. It confirms that we have a relationship that is strong enough that the member puts his or her own credibility on the line, by vouching for our programs and the service behind them.

To all of you who ever recommend Volunteers Insurance Service to your professional colleagues, we express our sincere appreciation. We are glad to be part of your community, and will continue working to keep your trust. Please let us know, any time we have the opportunity to be of service.

Board minutes basics

Good minutes of the board of directors meeting can take a variety of styles, and levels of detail. But there are certain “key ingredients” that all minutes should have, in order to provide an intelligible history of the organization’s activities, and serve as an effective tool for managing the organization going forward. The following guidance is from *Nonprofit Issues* (www.nonprofitissues.com), prepared by the Philadelphia law firm of Montgomery, McCracken, Walker & Rhoads.

Date, time, location and type of meeting (e.g., regular, annual, special) – If notice of the meeting was required by your bylaws, attach a copy of the actual notice, with a brief explanation of how it was disseminated. This information, in conjunction with the bylaws, can establish that the meeting was properly called.

Attendance – Names of all attendees, and names of any board members who did not attend. If the bylaws require that absences be excused, indicate whether any absences were excused or unexcused. The attendance record establishes that there was a quorum, and can help clarify whether a particular individual participated in a board action. If someone leaves in the middle of the meeting, the minutes should record the point at which he or she left.

Discussions – It is often difficult to decide what to include, and omit, in lengthy discussions. At a minimum, the minutes should indicate whether an agenda item was addressed or not. They should describe any agreement on action that will be taken (for example, a committee agreed to meet on an issue), whether or not the issue being discussed was on the agenda. Also, any new information presented to the board, even in a casual way and even if immediate action is not required, should be mentioned. It might become important later.

The gist of each discussion should be recorded, although it is not necessary to go into detail, or to indicate which board member said what.

Actions – Recording actions of the board is critical. If resolutions drawn up before the meeting were adopted or rejected, the action can be noted in the minutes, with the resolutions attached, or the resolutions can be incorporated into the text of the minutes. When resolutions or motions are being considered, it can be helpful to the board if the person taking the minutes reads the exact wording of the motion *before* the vote is taken.

If the vote was unanimous, the minutes should reflect that. If not, the names of those voting for and against, or abstaining or dissenting, should be listed. This can be crucial for an individual director who seeks to associate or disassociate himself or herself with a particular board action, or establish that he or she abstained because of potential conflict of interest. In many states, directors are assumed to have agreed to board actions unless their dissent is noted in the minutes.

Special procedures – For example, if a “supermajority” is required for certain actions because of bylaws or state laws, the minutes should reflect that the requirement was met. If an action is linked to the action of another organization, the minutes should mention that the other organization’s action was taken appropriately, and evidence of that action should be attached.

Approval – The minutes should be approved, as read or as corrected, at the next meeting of the board. The secretary of the organization is responsible for making certain that the minutes accurately reflect what happened at the meeting – even if the taking of minutes was delegated to someone else.

Chubb loss prevention guidelines

Chubb Group has published “Loss Prevention Guidelines For Independent Directors,” a 40-page document covering a variety of topics applicable both to for-profit and nonprofit boards of directors. Topics include the role of independent directors, selection of directors, committee service, and best practices for effective meetings, executive sessions, “playing the skeptic,” investigating warning signs, recordkeeping and document retention, legal compliance, and more.

A number of *VIS Connections* readers have requested a copy of the guidelines. If you would like a copy emailed to you as a PDF document, please email your request to our [Communication Department](#).

Timely reporting of claims is a must

Please remember that when you buy an insurance policy, the agreement with the insurer is that you will let the insurer know whenever you are aware of a situation that *might give rise to a claim*. Time -- and timely notification -- is critical, if the insurer is to keep its own part of the agreement...to make you whole for any covered loss you might have. Often, particularly with liability claims where a legal defense is required, the insurer needs to begin gathering information right away.

For example, employee-practices claims – a frequent type of directors and officers liability claim -- often are slow to develop, beginning with a complaint and concluding with a court or agency proceeding many months later. If the insurer is not put on notice until the later stages, an effective legal defense might be impossible, and the carrier might exercise its right to deny the claim on the basis that the policyholder did not provide timely notification. State laws vary, but in general they support the insurers in their denial of such claims.

Sometimes, an organization refers a potential claim to its own attorney for direction, without involving the insurance company. *This is always a mistake*. Insurers sometimes allow policyholders to choose their own attorney, subject to the insurer’s approval, but that is always the insurer’s call.

Do not wait to see if a problem will “blow over.” As soon as you are aware of circumstances that might give rise to a claim, please review your policy language regarding covered claims, and your reporting responsibility. For the policies we have placed on your behalf, at your request we will assist you in dealing with the insurance company in an effort to assure that the claim is properly evaluated and you are treated fairly.

VIS Commitment

Volunteers Insurance Service is committed to providing its members a complete resource for the nonprofit organization's risk management needs. Our services include:

- Publishing *VIS Connections* as one of our information resources for members;
- Maintaining for members' use a library of information relating to management of risks in the nonprofit organization;
- Researching available and appropriate insurance relating to volunteer activities;
- Designing and administering insurance programs, and compiling underwriting information;
- Providing consultation on risk management issues at no additional charge to our members, via a toll-free line (800.468.4200);
- Assisting members, on request, with matters relating to insurance.

Insurance and administrative services are provided to VIS® and its members by The CIMA Companies, Inc. and/or one of its affiliated companies.

VIS's Articles of Incorporation, Financial Information, and a list of the members of VIS's Board of Directors are available to VIS Members upon request.

CIMA licensing information

The following licensing information is being provided in order to comply with state governmental regulations:

Volunteers Insurance Service Association, Inc. is a risk purchasing group formed and operating pursuant to the Liability Risk Retention Act of 1986 (15 USC 3901 et seq.)

Notice to Texas clients: The insurer for the purchasing group may not be subject to all the insurance laws and regulations of your state. The insurance insolvency guaranty fund may not be available to the purchasing group.

Notice to California clients: License #0B01377 and #0A06046, CIMA Companies Insurance Services

Notice to Minnesota clients: License #009285 and #07544084, The CIMA Companies, Inc.

CIMA, one of its subsidiary companies and/or an authorized individual is licensed in all jurisdictions. Please contact CIMA at 800.468.4200 if you would like information about our licenses.