



# Minnesota FAIR Plan

## Plan of Operation

### APPENDIX H

#### **Committee Structure and Authority**

##### **Committee Structure**

Standing Committees of the Board shall not exceed three Members of the Board, at least one of which will be a Public Member.

##### **Committee Authority**

The Governing Board of the FAIR Plan has granted the following authority to each listed Committee of the Board. The authority of each Committee will be reviewed and approved yearly at the Annual meeting of the Board.

##### **Financial Audit Committee:**

- Authority to approve external auditors for financial audits.
- Responsibility to review all financial audits and attend meetings at the time the audits are presented to the Plan. Authority to resolve financial audit issues.
- Responsibility to authorize a qualified entity to perform loss reserve studies, for the purpose of establishing appropriate IBNR reserves.

##### **Member Nominating Committee:**

As outlined in the Plan of Operation.

##### **Officer Nominating Committee:**

As outlined in the Plan of Operation

##### **Executive Committee:**

- Authority to prepare the annual performance review for the Executive Director.
- Authority to recommend merit increases for the Executive Director for Board approval.
- Responsibility to review benefit plan performance on at least an annual basis.

This list of authorities can be modified by the Board, and in no way is intended to restrict the Board from being able to delegate additional responsibility to a Committee. Any delegation of responsibility or authority to a Committee will be clearly reflected in the Board meeting minutes.

Committees may also defer their authority for the items listed above to the overall Board should unusual circumstances merit.