



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### **Finance & Accounting Module**

#### **CATASTROPHE MODELING IMPACT TO REINSURANCE**

This course will provide an overview of the intricacies and difficulty in modeling the severe thunderstorm peril and its impact on a mutual insurance company's reinsurance purchase. Topics may include:

- Use of available and reliable data in catastrophe modeling;
- Strategies and tools utilized by companies for modeling severe thunderstorm risks; and/or
- Significant risk and impact to reinsurance faced by small companies due to their concentration of risk and weather trends in their communities.

#### **FINANCIAL IMPLICATIONS OF RETIREMENT PLANS**

This course will provide an understanding of the impact that different types of retirement plans can have on a small mutual insurance company. Topics may include:

- Defined benefit (pension) plans;
- Defined contribution plans;
  - Profit sharing
  - 401(k)
  - SEP
  - Simple IRA
- Pension plans versus alternative plans;
- Procedures for/ramifications of changing plans; and/or
- Board member liability.

#### **FINANCIAL STATEMENT ANALYSIS**

This course will dive deeper into how to read, understand, and analyze the financial statements necessary to run a successful mutual insurance company. Topics may include:

- Review of balance sheet;
- Review of income statement;
- Ratio analysis;
- Trend analysis; and/or
- Financial modeling.

#### **INSURANCE-SPECIFIC PERFORMANCE METRICS**

This course will provide insight into industry performance metrics to help board members understand the numbers behind financial and operational performance. Topics may include:

- Quantitative measures (profitability, leverage, liquidity);
- Qualitative measures (spread of risk, reinsurance, diversification of assets, adequacy of reserves and surplus, management);
- Financial ratios;
- Key performance indicators;
- Benchmarking; and/or
- Policyholder retention.



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### INVESTMENT FUNDAMENTALS

This course will introduce investing fundamentals as they fit into an insurance company's overall strategy. Topics may include:

- Role of the board in asset management governance;
- Connection between asset management and strategic planning; and/or
- Critical questions board members need to ask about investment policy.

### MERGERS/CONSOLIDATIONS – FINANCIAL IMPLICATIONS

This course will provide an understanding of the financial implications of a merger for all companies involved. Topics may include:

- Types of consolidations (mergers, asset acquisition, stock acquisition, and non-merger affiliations through a common management) and the financial implications of each;
- Financial considerations for the board during the initial discussion of a merger;
- Questions the board should ask leading up to and after a merger;
- Tax implications of a merger;
- Financial ratios and trends to review of individual companies and the resultant combined company; and/or
- Catastrophe clause which allows parties to dissolve negotiations and/or a merger if a catastrophic event happens between the time of policyholder approval and regulatory approval.

### SMALL COMPANY TAX UPDATE

This course will provide an understanding of the current legislative arena and possibilities for changes to current tax treatment. Topics may include:

- Different taxation options and challenges operating as a small farm mutual company;
- IRS review of legislation and activity of small property/casualty insurance company taxation; and/or
- Implications of tax reform and its effect on the insurance industry.

### UNDERSTANDING THE AUDIT FUNCTION

This course will dive deep into the audit function in the mutual insurance industry and issues companies may face. Topics may include:

- Overview of the audit function;
- Design of audit approach (planning, risk assessment, testing, required communications, reporting);
- Audit issues unique to small companies;
- Questions to ask auditors; and/or
- Development of the audit committee.



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### **Management Module**

#### **BOARD EVALUATION**

This course will provide an understanding of the importance of conducting board evaluations. Topics may include:

- Recognition of the need to conduct board evaluations;
- Evaluation process and following through on the results;
- Evaluation of the manager/CEO;
- Board readiness; and/or
- Benefits of utilizing outside resources.

#### **BOARD MEETING PROCEDURES**

This course will provide an overview of the procedures needed to hold a proper board meeting. Topics may include:

- Meeting preparation and distribution of materials;
- Role of the chair versus. role of the manager;
- Best practices for writing effective board meeting minutes;
- Use of the consent agenda;
- Use of the executive session; and/or
- Parliamentary procedures.

#### **BOARD SUCCESSION PLANNING**

This course will dive deep into the important tools needed to recruit quality board members with a variety of backgrounds and experiences. Topics may include:

- Importance of board succession planning as part of a director's fiduciary duty to the organization;
- Board structure to help achieve strategic goals and become future-oriented;
- Generational differences;
- Use of a skills assessment to focus on recruitment efforts; and/or
- Process to recruit and attract new board members.

#### **CORPORATE GOVERNANCE FOR MUTUALS**

This course will dive deep into corporate governance for mutual insurance companies. Topics may include:

- Mutual company differences;
- Rules under which companies operate;
- Importance of committee structure;
- New areas of expectations including institutional and regulatory/legislative issues;
- Importance of good faith and relevance of best practices; and/or
- Conflict of interest.

#### **CORPORATE GOVERNANCE ANNUAL DISCLOSURE**

This course will dive deep into CGAD and its implications in the mutual insurance industry. Topics may include:

- History and purpose of CGAD;
- Information required for inclusion in a company's annual disclosure;
- Best practices for compiling a disclosure; and/or
- CGAD impacts on farm mutuals in individual states.



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### **DIRECTORS AND OFFICERS LIABILITY**

This course will provide an overview of directors and officers liability exposures and professional liability insurance coverages in the mutual insurance industry. Topics may include:

- Legal duties of boards;
- Board member legal liability issues and risk control strategies;
- Real world claims situations;
- Common features and terms of D&O policies;
- Special situations (mergers, joint ventures, regulatory issues, etc.);
- Review of conditions, exclusions, and insuring agreements (without legalese); and/or
- Additional professional liability insurance coverage options (ICPL, EPLI, cyber, fiduciary, etc.)

### **EMERGING GOVERNANCE ISSUES**

This course will focus on emerging governance issues in the mutual insurance industry. Topics may change from year to year due to their emerging nature.

### **LEADERSHIP SKILLS**

This course will provide a high-level focus on the importance of investing in the development of leadership skills for company staff and leaders. Topics may include:

- Definition and development of a leadership model;
- Value of executive coaching;
- Skills development for healthy conflict and resolution; and/or
- Benefit of goal setting and periodic review of goals.

### **MAXIMIZING YOUR NAMIC MEMBERSHIP**

This course will provide a better understanding of how to get the most out of a NAMIC membership. Topics may include:

- NAMIC's operating philosophy;
- Products and services available to members;
- Resources available to members;
- Educational opportunities available through NAMIC;
- Volunteer opportunities at NAMIC; and/or
- Ways in which NAMIC is continuing to develop and evolve.

### **MERGERS AND CONSOLIDATIONS**

This course will provide an understanding of what is involved in completing a merger and consolidation. Topics may include:

- Definition and overview of mergers and consolidations;
- Reasons to consider a merger transaction;
- Importance of outside expert advisors in pursuing a merger transaction; and/or
- Terminology and steps taken to approve and finalize a merger.



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### SMALL COMPANY CONFLICT OF INTEREST

This course will provide an understanding of potential conflicts of interest and what effect they may have on a mutual insurance company. Topics may include:

- Examples of potential conflicts of interest within the industry;
- Strategies to repair conflicts;
- Formation and implementation of a long-range plan to steer the mutual away from potential conflicts;
- Development of appropriate thought process during voting;
- Priorities and expenses for both the agency and mutual; and/or
- Importance of hiring the appropriate employees (i.e. separate agents and managers).

### STRATEGIC BUSINESS PLANNING

This course will dive deep into strategic planning and the board's role in the process. Topics may include:

- Strategies for successful business plan development;
- Phases of strategic business planning;
- Roles of the board and management in the business planning process;
- Importance of disaster recovery and business resumption planning; and/or
- Establishment of benchmarks and evaluation of overall enterprise/company risk.

### STRATEGIC PLAN IMPLEMENTATION

This course will examine methods to keep strategic planning moving forward. Topics may include:

- Strategies for successful business plan application;
- Steps needed to incorporate your strategic plan into the life of the organization; and/or
- Methods of mobilizing champions to achieve the goals and objectives of the plan.

### SUCCESSION PLANNING FOR MANAGEMENT

This course will dive deep into succession planning and the board's role in the process. Topics may include:

- Strategies for successful succession plan development and application;
- Phases of succession management;
- Identification and evaluation of key positions;
- Short-term (immediate replacement) versus long-term (talent management) succession;
- Identification, development, and deployment of talent; and/or
- Effect of aging workforce (talent gap) on mutual insurance succession.



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### **Operations & Insurance Module**

#### **CLAIMS**

This course will provide a high-level overview of the claims and adjusting process. Topics may include:

- Catastrophe management;
- Determination of values;
- Depreciation;
- Bad faith;
- Fraud;
- Claims audits; and/or
- Documentation.

#### **CYBER RISK**

This course will explore the role of the board regarding oversight of a company's readiness for a cyber breach. Topics may include:

- Cyber risk considerations for the mutual insurance industry;
- Essentials of a cyber resilience framework;
- Multi-disciplinary approach to security;
- Key elements of a mutual insurance company customer data protection program; and/or
- Critical controls for boards to measure.

#### **EMERGING INDUSTRY TRENDS**

This course will focus on emerging trends that impact the mutual insurance industry. Issues may change from year to year due to their emerging nature.

#### **EMERGING RISKS**

This course will focus on emerging risks that impact the mutual insurance industry. Issues may change from year to year due to their emerging nature.

#### **EMERGING TECHNOLOGIES**

This course will focus on emerging technologies that impact the mutual insurance industry. Issues may change from year to year due to their emerging nature.

#### **ENTERPRISE RISK MANAGEMENT**

This course will dive deep into enterprise risk management and the board's role in the process. Topics may include:

- Role of the board in ERM;
- Evaluation of current organizational risks;
- Identification of emerging risks;
- Use of key metrics to minimize adverse effects of missed opportunities and losses;
- Important aspects of ERM that directors must know; and/or
- Internal governance of ERM.

#### **HUMAN RESOURCES**

This course will provide a high-level focus on human resources issues. Topics may include:

- Attraction and recruitment of talent;
- Knowledge of the current and future labor markets; and/or
- Management of generational shifts.



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### INSURANCE COMPANY OPERATIONS

This course will dive deep into the operations of a mutual insurance company. Topics may include:

- Administration;
- Asset/liability management;
- Buildings;
- Human resources;
- Protection of assets;
- Disaster recovery plans;
- Loss control;
- Information technology;
- Policy administration systems;
- Imaging; and/or
- Emerging operations issues.

### INSURANCE REGULATORY ENVIRONMENT

This course will provide an understanding of the current legislative and regulatory arenas as they relate to the mutual insurance industry. Topics may include:

- Review of legislative/political issues;
- Current federal issues;
- Current state issues;
- Insurance departments and regulation;
- History of anti-trust;
- Compliance;
- Fair credit reporting;
- Privacy laws; and/or
- Farm mutual reform.

### MARKETING

This course will provide an overview of marketing in the mutual insurance industry. Topics may include:

- Definition of marketing;
- Development of a marketing plan;
- Establishing a brand;
- Marketing versus advertising;
- Types of advertising;
- Agent appointments and relationships;
- Marketing representatives; and/or
- Social media marketing.

### PAST, PRESENT, AND FUTURE OF THE FARM MUTUAL

This course will explore the history of farm mutual insurance companies, take a closer look at how they are operating today, and identify ways in which they can succeed and thrive in the future.

### REINSURANCE

This course will dive deep into the functions and fundamentals of reinsurance. Topics may include:

- Types and structures of reinsurance;
- Sources of reinsurance;
- Protection of reinsurers;
- Cost of reinsurance;
- Company goal achievement through the help of a proper reinsurance program; and/or
- Elements of the reinsurance contract.

### TECHNOLOGY NEEDS

This course will explore the changing technology needs and competitive environment for mutual insurance companies.

Topics may include:

- Importance of utilizing technology in company operations;
- Technologies available to mutual insurers;
- Identification of technology needs and evaluation of current capabilities; and/or
- Methods to measure success and provide management with support/guidance.



## ELECTIVE COURSES (CHOOSE 2 PER MODULE)

### UNDERWRITING

This course will provide a high-level overview of the underwriting process. Topics may include:

- Tools available in underwriting decisions;
- Pricing;
- Forms and documentation;
- Insurance to value;
- Use of credit-based insurance scoring;
- Underwriting audits; and/or
- Catastrophe mapping.

### WEATHER TRENDS

This course will explore weather trends and their effect on mutual insurance company operations. Topics may include:

- Overview of current weather trends and how they relate to the mutual insurance industry;
- Progress being made in accuracy of extreme storm warning systems;
- Use of weather science as a tool to better serve policyholders and limit exposure to extreme weather; and/or
- Application of weather science to the challenges faced by the mutual insurance industry.