

Insurance Summary For Most Non Profits

Insurance should be viewed as part of your risk management program. There is no single insurance policy that will address every risk within your organization. Consult with your attorney.

<p>General Liability</p> <ul style="list-style-type: none"> ▪ Additional Insureds <p>Special Events</p> <ul style="list-style-type: none"> ▪ Liquor Liability? <p>Umbrella</p>	<p>Directors & Officers Liability</p> <p>Employment Practice Liability</p> <p>Fiduciary Liability</p>	<p>Crime Employee Dishonesty</p> <ul style="list-style-type: none"> ▪ Volunteer Endorsement? ▪ Forgery ▪ Computer Fraud 	<p>Cyber Liability</p> <ul style="list-style-type: none"> • Additional Insureds? • Are Volunteers Included? • Policies available as stand-alone or as part of another liability policy. • No "standard" coverage 	<p>Property</p> <ul style="list-style-type: none"> • Business Interruption • Extra Expense • Improvements & Betterments • Equipment Breakdown • Earthquake & Flood
<p>Automobile</p> <ul style="list-style-type: none"> ▪ Non Owned Auto (include employees & volunteers?) ▪ Liability 	<p>Professional Liability</p> <ul style="list-style-type: none"> ▪ Errors & Omissions ▪ Malpractice ▪ Employees & Volunteers? 	<p>Abuse & Molestation</p> <ul style="list-style-type: none"> • Employees • Volunteers (interns) • Independent Contractors? 	<p>Workers' Compensation</p> <ul style="list-style-type: none"> ▪ Employee vs. Independent Contractor? ▪ Volunteers? Interns? 	<p>Volunteers Coverage</p> <ul style="list-style-type: none"> ▪ Accident Coverage ▪ Non Owned Auto

Caution: Most policies will not provide coverage for independent contractors! Make sure your "staff" is properly classified



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The following are some quick tips regarding insurance coverages:

General Liability	Special Events Liability	Umbrella	Abuse & Molestation	Employment Practice Liability (EPLI) / Directors & Officers Liability (D&O)
<p>Note that you are sharing your liability limits with any "Additional Insured". Make sure that you carry high enough limits to protect your organization. Make sure that your liability policy is in compliance with your lease and other contracts. Have your attorney review your insurance coverages for compliance.</p>	<p>Special Events should be reported to your insurance broker. If you are selling or serving alcohol, make sure to discuss liquor liability coverage with your insurance broker. Most Special Event coverages do not insure independent contractors. All independent contractors (i.e. caterers, entertainment, security, etc.) must provide your organization with proof of their liability insurance and add your organization as an additional insured. Note that many insurance carriers will not insure trampolines or Bounce Houses. Therefore, make sure the vendor provides your organization with the appropriate liability coverage.</p>	<p>Be prepared for a catastrophic liability loss with a commercial umbrella policy. Discuss with your attorney the appropriate liability limits to protect your organization. If possible, see if the umbrella carrier will also include coverage for your Business Automobile, Non Owned Automobile, Employee Benefits Liability, Professional Liability and Abuse & Molestation Coverage.</p>	<p>Most standard General Liability policies will exclude Abuse & Molestation coverage. Many specialty insurance programs will provide Abuse & Molestation coverage as a separate policy or in combination with your liability or business package. There is no "standard" insurance form. We recommend that organizations providing counseling/mentoring services or working with seniors, youth or the developmental disabled should carry Abuse & Molestation Coverage. Discuss this coverage and exposure with your attorney.</p>	<p>D&O involves management liability coverage and protects the board of directors from "wrongful acts" EPLI protects against employee related allegations for discrimination, wrongful termination, harassment and failure to hire or promote. There is no "standard" D&O/EPLI policy form. Focus on the following coverages:</p> <ul style="list-style-type: none"> • Defense outside the policy limits • Duty to Defend • Coverage extends to third-party Harassment • Broad definition of insured • Broad Employment Practices Liability coverage.

Directors & Officers Liability / Employment Practice Liability



Nonprofits should protect their board of directors against D&O, EPLI and Fiduciary Liability claims.. Be prepared!