United Neighborhoods of Santa Clara County
Linking and Developing Healthy Neighborhoods

Risk Management For Neighborhood Associations

This presentation is intended for general educational purposes and is not legal or insurance advice.

Ty Greaves, Treasurer

Rev 3a

The UNSCC is a 501(c)3 corporation [77-0369577] founded in 1995 whose member neighborhood associations work to create, serve, and empower neighborhood association throughout Santa Clara County. Please visit our website at www.unscc.org.

What's At Stake? Why Should I Care?

- **Your Can Lose Your Reputation and Money**

- **There are Many Risks & Liabilities**

What Are My Risks?

- A Non-Profit or Group/Club Can Be Held Liable for Damages Both Organizationally And, Rarely, Personally. Some Risks that Might Apply to Your Organization
  - **Property Liability** – Damage to the Physical Assets You Use Such As Buildings, Office Equipment, Computers, Furniture, etc. (i.e., Meeting Site Damage)
  - **General Liability** - Negligent Acts Which Result In Bodily Injury, Property Damage, Personal Injury or Advertising Injury To a Third Party (i.e. a Fall At an Event Or Meeting)
  - **Directors And Officers Lability** - Wrongful Acts That Are "Intentional," as Opposed to "Negligent" Events
  - **Hosted Events**

Risks Are <u>**Unavoidable**</u> - So You Must Manage Them

- To Fulfill Your Mission, You Must Incur Risks
  - <u>**Fortunately**</u>, Neighborhood Associations Risks are Low
  - <u>**Unfortunately**</u>, Liability is Hard to Predict and Price
- Responsible Leadership Risk Awareness/Action
  - **Risk Management** – Identifies/Evaluates Risks - Particularly for Sponsored Special Events - and Incorporates Risk Mitigation(s)
  - **Risk Mitigation –** The Process Minimizing Risks that Might Cause Injury to Your Volunteers or Attendees.
  - **Risk Sharing** - Insurance Policy Spreads the Liability Cost Across Similar Organizations

Let’s Get To It – Welcome To The UNSCC

- As a Member Organization of the UNSCC Your **Routine** Meetings (General and Board) are Insured as part of Your Annual Membership. This Protection is Conditional on:
  - Apply for Insurance as to Place and Time – Form Provided on the UNSCC Website (https://unscc.org/resources/)
  - Acceptance by Underwriters – No Instance of Refusal
- Extract of a Certificate of Insurance Shows Coverage

COVERAGES **CERTIFICATE NUMBER:** 1583055367 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X COMMERCIAL GENERAL LIABILITY	Y	Y	2024-04033	7/25/2024	7/25/2025	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 500,000
							MED EXP (Any one person)	$ 20,000
							PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	X POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$

What Else Is There?

Special Event Insurance Available to UNSCC Member Organizations for Your Parties, Cleanups, National Nights Out, etc.

- Apply In Advance – At Least 25 Workdays
- The UNSCC Will Provide an Estimated Cost of Coverage When You Apply
- Higher Risk Activities - Will Trigger Higher Cost and Possible Underwriting Delays/Refusals. Examples Include:

- Any fundraiser or event where more than 500 people will be present at any one time
- Athletic activities or contests (not including golf or bowling)
- Animals (including, but not limited to, animals involved in rodeos, petting zoos, animal exhibitions)
- Carnivals, circuses, fairs, festivals, parades
- Water events (including, but not limited to, activities involving swimming pools, lakes, rivers, or other bodies of water)
- Firearms, weapons
- Powered rides or amusement attractions (including, but not limited to, climbing walls, slides, mechanical bulls, or bungee jumps)
- Trampolines, bounce houses, rebounding equipment, inflatable amusement or sports devices, moon walks, or inflatable wrestling/ combatant suits

Risk Mitigation – Plan Your Special Event To Minimize Risk

- **Example - Planning to Barbeque Burgers**
  - **What will you do Ensure the Food is Save?**
    - **Purchase Ingredients from Commercial Sources on the Day of the Event and Store Them in an Ice Chest until Placed on the Grill.**
    - **Only Serve "Well Done" Burgers (145 degrees Internal Temperature or Higher)**
    - **Provide Individually Packaged Condiments**
  - **What Will You Do to Protect Kids?**
    - **Rope-Off the Cooking Area and Ensure that Adults Control Access.**

Risk Mitigation – Legal Protections (1 of 2)

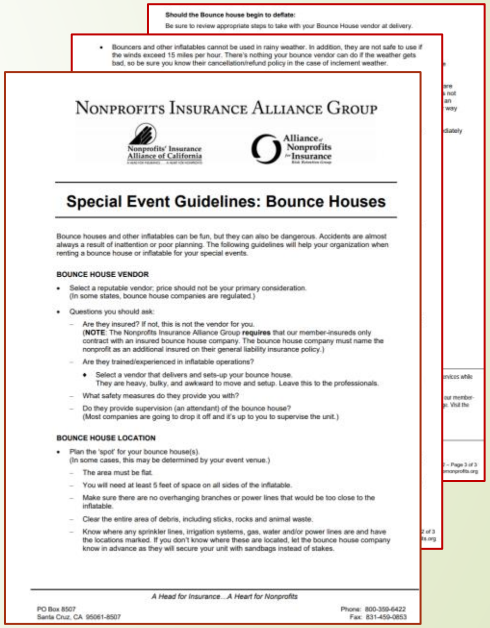
- **Waiver of Liability** - Document Where a Participant/Adult Agrees to Release Your Organization from Responsibility for Injuries or Damages Related to an Activity's Inherent Risks.
  - Participant Waiver Form Available on the UNSCC Website (https://unscc.org/resources/)
  - Waivers are not always enforceable and may not protect against all forms of negligence.
- **Waiver of Subrogation** - City of San Jose Special Parks Unit **Requires** Waiver of Subrogation
  - A waiver of subrogation is a contractual agreement that waives certain recovery rights following a loss

Risk Mitigation – Legal Protections (2 of 2)

- **Hold Harmless Agreement –** One party agrees to assume or protect another party from certain liabilities.
  - **Cautionary Note** – Your Board Should Carefully Assess Any Hold Harmless Agreement
    - Clearly Define the Scope of Liability Being Waived.
    - Reciprocal or Unilateral: Is the Agreement Mutual (Both Parties Hold Each Other Harmless) or Unilateral (Only One Party Is Protected).
    - Check For Any Limitations on Liability Transfer
  - **Disclosure** - As Part of Your Liability Insurance Application, You Must Disclose Any Hold Harmless Agreements You Have Signed and Provide a Copy as Part of Your Application.

Let’s Talk About Bounce Houses – Fun But **RISKY**

- Nonprofits Insurance Alliance Group **Requires**
  - Host Organization Must Contract with an Insured Bounce House Company
  - The Bounce House company must name the UNSCC as an Additional Insured on Their General Liability insurance policy.
  - Any Claim Will Exhaust the Bounce House Insurance Resources First – then NIAC Policy
- Guidelines Provided on the UNSCC Website (unscc.org/resources/)



Should the Bounce house begin to deflate:

Be sure to review appropriate steps to take with your Bounce House vendor at delivery.

- Bouncers and other inflatables cannot be used in rainy weather. In addition, they are not safe to use if the winds exceed 15 miles per hour. There's nothing your bounce vendor can do if the weather gets bad, so be sure you know their cancellation/refund policy in the case of inclement weather.

NONPROFITS INSURANCE ALLIANCE GROUP

Nonprofits' Insurance Alliance of California

Alliance of Nonprofits for Insurance

Special Event Guidelines: Bounce Houses

Bounce houses and other inflatables can be fun, but they can also be dangerous. Accidents are almost always a result of inattention or poor planning. The following guidelines will help your organization when renting a bounce house or inflatable for your special events.

BOUNCE HOUSE VENDOR

- Select a reputable vendor; price should not be your primary consideration. (In some states, bounce house companies are regulated.)
- Questions you should ask:
  - Are they insured? If not, this is not the vendor for you. (**NOTE**: The Nonprofits Insurance Alliance Group **requires** that our member-insureds only contract with an insured bounce house company. The bounce house company must name the nonprofit as an additional insured on their general liability insurance policy.)
  - Are they trained/experienced in inflatable operations?
    - Select a vendor that delivers and sets-up your bounce house. They are heavy, bulky, and awkward to move and setup. Leave this to the professionals.
  - What safety measures do they provide you with?
  - Do they provide supervision (an attendant) of the bounce house? (Most companies are going to drop it off and it's up to you to supervise the unit.)

BOUNCE HOUSE LOCATION

- Plan the 'spot' for your bounce house(s). (In some cases, this may be determined by your event venue.)
  - The area must be flat.
  - You will need at least 5 feet of space on all sides of the inflatable.
  - Make sure there are no overhanging branches or power lines that would be too close to the inflatable.
  - Clear the entire area of debris, including sticks, rocks and animal waste.
  - Know where any sprinkler lines, irrigation systems, gas, water and/or power lines are and have the locations marked. If you don't know where these are located, let the bounce house company know in advance as they will secure your unit with sandbags instead of stakes.

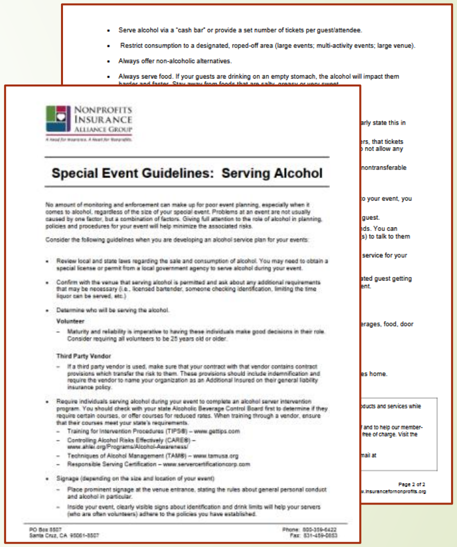
A Head for Insurance…A Heart for Nonprofits

PO Box 8507
Santa Cruz, CA 95061-8507

Phone: 800-359-6422
Fax: 831-459-0853

Let’s Talk About Booze – High Risk Attraction

- Nonprofits Insurance Alliance Group **Requires**
  - Individuals Serving Alcohol to Complete the Alcohol Server ABC Course(s)
  - Clearly Visible Signs About Identification and Drink Limits
  - Controls to Ensure Under-age And Intoxicated Guests Aren’t Served.
  - **And Many MORE**



- Serve alcohol via a "cash bar" or provide a set number of tickets per guest/attendee.
- Restrict consumption to a designated, roped-off area (large events; multi-activity events; large venue).
- Always offer non-alcoholic alternatives.

NONPROFITS INSURANCE ALLIANCE GROUP

Special Event Guidelines: Serving Alcohol

No amount of monitoring and enforcement can make up for poor event planning, especially when it comes to alcohol, regardless of the size of your special event. Problems at an event are not usually caused by one factor, but a combination of factors. Giving full attention to the role of alcohol in planning, policies and procedures for your event will help minimize the associated risks.

Consider the following guidelines when you are developing an alcohol service plan for your events:

- Review local and state laws regarding the sale and consumption of alcohol. You may need to obtain a special license or permit from a local government agency to serve alcohol during your event.
- Confirm with the venue that serving alcohol is permitted and ask about any additional requirements that may be necessary (i.e., licensed bartender, someone checking identification, limiting the time liquor can be served, etc.)
- Determine who will be serving the alcohol.

  Volunteer
  - Maturity and reliability is imperative to having these individuals make good decisions in their role. Consider requiring all volunteers to be 25 years old or older.

  Third Party Vendor
  - If a third party vendor is used, make sure that your contract with that vendor contains contract provisions which transfer the risk to them. These provisions should include indemnification and require the vendor to name your organization as an Additional Insured on their general liability insurance policy.
- Require individuals serving alcohol during your event to complete an alcohol server intervention program. You should check with your state Alcoholic Beverage Control Board first to determine if they require certain courses, or offer courses for reduced rates. When training through a vendor, ensure that their courses meet your state's requirements.
  - Training for Intervention Procedures (TIPS®) – www.gettips.com
  - Controlling Alcohol Risks Effectively (CARE®) – www.ahlei.org/Programs/Alcohol-Awareness/
  - Techniques of Alcohol Management (TAM®) – www.tamusa.org
  - Responsible Serving Certification – www.servercertificationcorp.com
- Signage (depending on the size and location of your event)
  - Place prominent signage at the venue entrance, stating the rules about general personal conduct and alcohol in particular.
  - Inside your event, clearly visible signs about identification and drink limits will help your servers (who are often volunteers) adhere to the policies you have established.

PO Box 8507
Santa Cruz, CA 95061-8507

Phone: 800-359-6422
Fax: 831-459-0853

What To Do If There Is An Accident/Claim

- **Care for the Injured Person**
- Document Everything Using the Incident Report Form as a Guideline
  - Take Photos
  - Get Witness Contact Info
  - Log Responders and Times
- File Incident Report Form **Immediately** – Forms Provided on the Website (unscc.org/resources/)
- Call and Text the UNSCC 408-497-9261
- Copy the UNSCC on All Correspondence.

Claimant Information

1. Name of Injured Party | DOB | ☐ Employee ☐ Client ☐ Volunteer ☐ Visitor

NONPROFITS INSURANCE ALLIANCE GROUP

A Head for Insurance. A Heart for Nonprofits.

Including ALLIANCE OF NONPROFITS FOR INSURANCE (ANI) & NONPROFITS INSURANCE ALLIANCE OF CALIFORNIA (NIAC)

www.insurancefornonprofits.org

Incident Report Form

CLAIMS REPORTING PROCEDURE

If you have a question concerning whether to report an incident or claim, call your broker.

NONPROFIT / INSURED – Complete all items to the best of your ability, sign and date page 2, and immediately give it to your supervisor.

Supervisor – Fax this Incident Report Form to your insurance broker immediately.

Important: Retain any equipment or furniture which caused or contributed to an injury until it can be inspected by an insurance representative.

BROKER – Refer to our website for instructions on claim reporting.

If a claim needs to be reported after business hours or on the weekend, call (866) 718-1947.
This number is reserved for true claims emergencies after business hours and weekends.

General Information

Name of Nonprofit Organization			ANI/NIAC Policy Number
Name of Contact		Title	
Nonprofit Address – Street		City	State Zip
Business Phone # ( )	Ext.	Business Fax # ( )	E-mail Address

Incident Information

Date of Incident	Day of Week (circle one) Mon Tue Wed Thurs Fri Sat Sun	Time of Incident AM / PM	Did the incident occur on organization's premises? ☐ Yes ☐ No
Location of Incident (If possible, take pictures of the area with a digital or disposable camera)			
Description of Incident (A brief factual account of the incident: include who was involved, how the incident occurred and what action is being taken in response to the incident. Use the back of the sheet if more space is needed.)			

Witness Information

	Name and Address	Daytime Phone	Email Address	DOB
1.				
2.				

Rev. 10/2014 Page 1 of 3

DATE

Page 2 of 3

NIAC Insures UNSCC Members

- **Nonprofit Insurance Alliance of California (NIAC)**
- **Provides Low-Cost, Group Rate Liability Insurance to Nonprofits**
- Strong Relationship dating from 2007
- $500 million in assets, NIA is a leader in the insurance marketplace for non-profits
- Rated A VIII (Excellent) by AM Best
- Governed by the Nonprofit Policy Holders

NONPROFITS® INSURANCE
ALLIANCE OF CALIFORNIA
Part of Nonprofits Insurance Alliance (NIA)


Be Safe Out There


Thank you