



**United Neighborhoods of Santa Clara County**  
Linking and Developing Healthy Neighborhoods

# Risk Management For Neighborhood Associations

Ty Greaves, Secretary

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

# What's At Stake? Why Should I Care?

- **Your Can Lose Your Reputation and Money**
- **There are Many Risk/Liabilities**



# What Are My Risks?

- ▶ A Non-Profit or Group/Club Can Be Held Liable for Damages (Organizationally and/or Personally)
  - ▶ **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. Fall at an Event or Meeting)
  - ▶ **Directors and Officers Liability** - wrongful acts that are “intentional,” as opposed to “negligent” events
  - ▶ **Improper Sexual Conduct and Physical Abuse Liability** - allegations of improper sexual contact (Community Activities)



# Risks Are Unavoidable - So You Must Manage Them

- To Fulfill Your Mission, You Must Incur Risks
  - Fortunately, Neighborhood Associations Risks are Improbable
  - Unfortunately, Liability is Hard to Predict and Price
- Responsible Leadership Responses
  - **Risk Management** – Identifies/Evaluates Risks, Particularly for Special Events, and Incorporates Risk Mitigation(s)
  - **Risk Mitigation** - Process a Neighborhood Association undertakes to reduce its exposure to risks
  - **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 \$200 Membership. This Protection is Conditional on:
  - ▶ Apply for Insurance – Form Provided
  - ▶ Acceptance by Underwriters
- ▶ Extract of a Certificate of Insurance

EXCLUSIONS AND CONDITIONS OF COVERAGE OF THIS POLICY:

INSR LTR	TYPE OF INSURANCE		POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
<b>A</b>	<input checked="" type="checkbox"/>	COMMERCIAL GENERAL LIABILITY	07/25/2017	07/25/2018	EACH OCCURRENCE	\$ 1,000,000
	<input type="checkbox"/>	CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 500,000
					MED EXP (Any one person)	\$ 20,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
						\$
GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						





# What Else Is There?

- ▶ **Special Event Insurance** for Your Parties, Cleanups, Neighborhood Nights Out, Field Trips, Jog-A-Thon, etc.
  - ▶ Apply In Advance – At Least 25 Workdays
  - ▶ Typical Cost is \$126 for each Event – Can Be Higher for Activities that have Higher Risk
  - ▶ Avoid Elements that Will Trigger Higher Cost (Typically \$150), Underwriting Delays ,or Refusals
    - ▶ **Bounce House** – These are Popular but Generate Underwriting Issues. Special Guidelines and Requirements
    - ▶ **Homemade Food** – UNSCC Recommends the Purchase of Commercially Prepared Food
    - ▶ **Power Tools** – The UNSCC will Forward Your Request for Coverage, and it Will Cost More if Underwritten (**Likely Refusal**)
    - ▶ **Serve Alcohol** – Compliance with State and Local Laws/Regulations Typically Beyond a Neighborhood Association

# 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 NAiC Policy
- Guidelines Provided

Should the Bounce House begin to deflate:  
Be sure to review appropriate steps to take with your Bounce House vendor at delivery.

Bounce houses 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 Nonprofits 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**  
(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**  
(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, tell the bounce house company know in advance as they will secure your unit with sandbags instead of stakes.

P.O. Box 8507 Santa Cruz, CA 95061-8507 A Head for Insurance...A Heart for Nonprofits Phone: 855-558-6422 Fax: 831-455-0853

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# What To Do If There Is An Accident/Claim

- **Take Care of the Victim**
- Document Everything Using the Incident Report Form as a Guideline – Capture Photos
- File Incident Report Form Immediately – Forms Provided
- Call or Text the UNSCC 408-497-9261
- Copy the UNSCC on All Correspondence.

**Claimant Information**  
 Named Agent Policy    DOB     Employee     Client     Volunteer     Visitor

**NONPROFITS INSURANCE ALLIANCE GROUP**  
Including ALLIANCE OF NONPROFITS FOR INSURANCE (ANI) & NONPROFITS INSURANCE ALLIANCE OF CALIFORNIA (NIAC)  
www.insuranceformnonprofits.org

**Incident Report Form**

**CLAIMS REPORTING PROCEDURE**  
If you have a question concerning whether to report an incident or claim, call your broker.  
**NONPROFIT IF 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    ANISAC 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 (use one)    Time of Incident    Did the incident occur on organizational premises?  
Mon Tue Wed Thurs Fri Sat Sun    AM / PM    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. \_\_\_\_\_

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Be Safe Out There



Thank  
you