



INFORMATION ON LOCAL UNIT BONDING AND PTA LIABILITY INSURANCE

Illinois PTA requires that to be a Local Unit in Good Standing, the unit must **secure liability insurance** or submit a waiver form.

It is also highly recommended that every local unit secure bonding insurance for its officers and all members who handle funds.

Illinois PTA has chosen AIM – Association Insurance Management, Inc as the insurance carrier for all constituent units. AIM offers various types and levels of coverage.

One of the benefits of working with AIM is their website. It allows you to have control over your own policy. Through this page you can sign in with a user name and password to view what coverage you have, print your own Certificate of Insurance, print your renewals, add coverage, request an additional insured and many more features.

Your insurance renewal information will be sent prior to the renewal date. For most units, the renewal date is October 1. Please watch for the information to be sent separately or visit the AIM website.

You are required to have liability insurance for your association. If you are covered by another policy please complete and submit the enclosed waiver to the Illinois PTA State Office by October 1, 2011.

Why Does My Parent Group Need Insurance?

Why does my Parent Group need insurance?

Just like a business, your Parent Group is exposed to certain risks that you may or may not be aware of. You may do everything you can to prevent something from happening to your Parent Group, but in reality no one can guarantee that things are going to run smoothly all of the time. Parent Groups are not immune from liability. Your Parent Group insurance policy will protect not only the assets of the Parent Group, but the **personal assets** of its members. In the event of a lawsuit, your Parent Group insurance will also pay attorney fees to defend you, whether the lawsuit has merit or not. There are five separate risks that your Parent Group needs to be aware of:

General Liability - Protects your Parent Group if someone was injured at one of your events and held you responsible. Some of these activities include **concession stands, end of year parties, skating parties, swim parties, bounce houses, dunking booths, fun runs, auctions, and more**. The General Liability limit is \$1,000,000 or \$2,000,000 with no deductible.

Accident Medical - Designed to compliment your General Liability policy, it provides medical coverage for risks that are specifically excluded from the liability policy such as mechanical rides, school buses, automobiles, and watercraft. The Accident Medical limits are \$10,000, \$25,000, and \$50,000 with no deductible.

Bond - Covers **anyone that your Parent Group trusts with the money** whether it's a President, Treasurer, board member, volunteer, or courier. If that person embezzles your money, this policy would replace those missing funds. The Bond limits are \$10,000, \$25,000, and \$50,000, with a \$250 deductible. Higher limits are available.

Property - **Protects your raffle merchandise, auction items and fundraising supplies while it is in your possession.** This policy also protects any personal property of your Parent Group such as **popcorn machines, snow cone makers, school store supplies, emergency preparedness supplies**, and more. The Property limit is \$10,000, with a \$250 deductible. Higher limits are available.

Directors & Officers Liability - Protects officers for any **decision making** that they do. If someone sues the officers for **mismanaging or misrepresenting the Parent Group**, this policy would pay your legal bills and provide protection for these allegations. The Directors and Officers Liability limit is \$1,000,000 with a \$1,500 deductible.

Provided
by:



Association Insurance Management
PO Box 742946 · Dallas, TX 75374-2946
1-800-876-4044
www.aim-companies.com



2011 PTA Insurance Guide



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Why does my PTA need insurance?

The number one question that most PTAs face today is “Why does my PTA need insurance?” That’s a great question and one that every PTA should ask itself as an organization. There are many misconceptions about insurance when it comes to PTAs. Did you know that you, as an individual member of the PTA or an officer of the PTA could be held personally liable for an accident that occurs at one of your events? Personal Liability means that your personal assets could be at risk if you were sued because of something that happened at one of your PTA events. Are you willing to put your checking account, your savings account, possibly your 401k or even your assets at risk for your PTA?

Insurance not only protects your PTA, but also protects you as an individual, especially when there is limited coverage through your homeowner’s insurance. This Risk Management Guide will walk you through the risks that you are exposed to as a PTA, ways to reduce that liability, and how insurance policies can protect your PTA and PTA members should something happen at one of your events.

General Liability Covers Everything: FALSE

“We have insurance.” That’s a statement that we hear as a Customer Service Team every day. The problem with making that statement, however, is that it is extremely broad. The truth is that most PTAs don’t know what coverage they have, nor do they know what risks those policies are protecting. When thinking about your personal insurance policies, you wouldn’t expect your Homeowners Insurance Policy to pay if you were in an automobile accident. Nor would you expect your Health Insurance Policy to pay if your home burned down. Each one of your personal insurance policies does something totally and distinctively different. The same thing is true concerning PTA Insurance policies. Officers Liability insurance doesn’t cover your PTA against embezzlement, nor does your General Liability policy cover if your PTA’s fundraising t-shirts are stolen. There are six different insurance policies offered to PTAs that have totally different objectives. Those policies are:

- General Liability
- Accident Medical
- Bonding (Commercial Crime)
- Property
- Officers Liability (Non-Profit Association Professional Liability)
- Identity Theft





Common Misconceptions:

- PTAs are immune from liability because of their non-profit status
- The school’s insurance covers the PTA for all of its events.
- Liability protects the PTA from all risks.



General Liability

Let's face it, everyone involved in a PTA is volunteering for the same reason...the kids. Even though you are placing your valuable time and numerous hours into making your PTA the best that it can be, there are still certain risks that you are exposed to as a volunteer. While attending your fall carnival, a child could fall down and get hurt. You may not see that as a risk that you should be concerned with, but what if the parents of that child don't have health insurance? The family will be looking for someone to help with those expenses. After all, it was at your event that their child was injured. In the event that this incident becomes a lawsuit against the PTA, as a volunteer named in a lawsuit, your personal assets could be at risk. The General Liability policy protects not only your PTA, but protects you as a member of the PTA as well.


Always think Liability in these terms: "It's YOUR fault that my child was injured at the PTA carnival."


Bodily Injury and Property Damage

Your General Liability policy has two parts:

1. Liability - \$1 or \$2 million per occurrence and a \$2 million General Aggregate to cover as damages for bodily injury or damage of property of others.
2. Medical Payments - up to \$5,000 per person to cover medical expenses
- 3.

The *liability* portion will come into effect for any lawsuit in which the PTA is being sued for a bodily injury claim over \$5,000 or property damage of others claim. You have up to \$1 or \$2 million (depending on the policy you chose) per occurrence per policy period to compensate for any judgments made against you. The policy will also cover incurred legal expenses in addition to the \$1 or \$2 million policy limit.

The *medical payments* portion will come into effect for any minor medical injury that is sustained by a volunteer of your PTA, a board member, or a third party at one of your PTA sponsored events. This is by no means a health insurance policy. The medical payments clause of your liability policy will pay secondary to any personal health insurance that the injured party may have. This is to protect the PTA and its members as a shield against a lawsuit while helping the injured party to cover any out of pocket expenses that they may incur in seeking treatment.

PTA Sponsored Events

To extend your General Liability policy to your PTA, you must be hosting a PTA sponsored event. The requirements of a PTA sponsored events are:

1. The event must be voted on by the PTA
2. The event must be approved by the PTA
3. The event must be scheduled by the PTA
4. The event must be planned by the PTA
5. The majority of the manpower must be provided by PTA members

AIM Covered Events

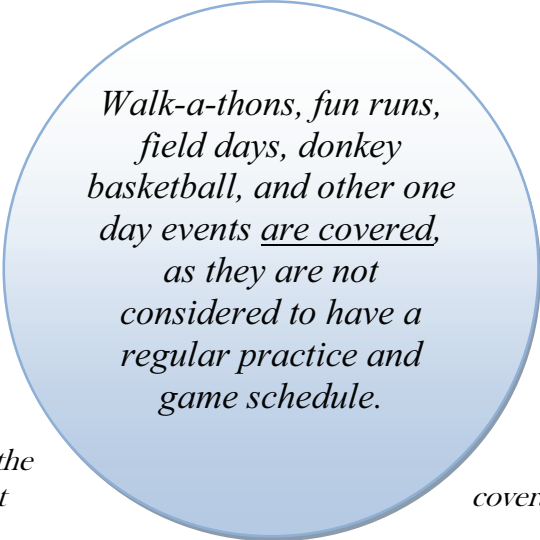
(This List Is Not All Inclusive)

1. Alcohol (Host Liquor Liability)
2. All Night Lock-Ins
3. Animal Rides
4. Apple Bobbing
5. Arts & Crafts Activities
6. Auctions
7. Babysitting at PTA Meetings
8. Bake or Food Sales
9. Balloon Artists
10. Band Concerts
11. Baseball Toss
12. Bazaars
13. Bean Bag Toss
14. Beautification Projects
15. Bike Rodeos
16. Book Fairs
17. Bounce Houses
18. Bowling
19. Broom Hockey
20. Cake Walks
21. Camping
22. Candy or Wrapping Paper Sales
23. Carnivals (except mechanical rides)
24. Childcare
25. Colored Sand Painting
26. Community Forums
27. Concession Stands
28. Confetti Eggs
29. Costume Parties
30. Cow Bingo
31. Crossing Guards
32. Easter Egg Hunt
33. Egg Toss
34. Enrichment Programs
35. Face Painting
36. Family Portraits
37. Fashion Shows
38. Fishing (from land)
39. Food Sales
40. Fortune Telling
41. Fun Runs
42. Gift Wrapping
43. Golf Tournaments
44. Grad Nights
45. Haunted Houses
46. Hayrides (except by vehicle)
47. Hobby Shows
48. Ice Cream Socials
49. Inflatable Slides
50. Jail Auction
51. Karaoke
52. Line Dancing
53. Litter Cleanup
54. Magic Shows
55. Math Fairs
56. Moon Walks
57. Open Houses
58. Parades (except vehicular incidents)
59. Parent Education Workshop
60. Pee Wee Golf
61. Performing Arts
62. Petting Zoos
63. Picnics
64. Pizza Night
65. Ring Toss
66. Rock Climbing Walls
67. Science Fairs
68. Skating Rink (Roller and Ice)
69. Spelling Bees
70. Sumo Wrestling
71. Swim Parties
72. Talent Shows
73. Water Balloon Toss

Exclusions

There are certain exclusions that your General Liability policy has. The following is a list of specifically excluded items:

- Automobiles*
- Asbestos Exposure
- Bungee Jumping*
- Hot Air Balloons*
- Lead Exposure
- Mechanical/Motorized Rides at Carnival*
- Nuclear Exposure
- Organized Athletic Events
(Having regular practice and game schedule)
- Rocketry*
- Vehicular Transportation of Any Type*
- Watercraft*
- Workers Compensation Claims



Walk-a-thons, fun runs, field days, donkey basketball, and other one day events are covered, as they are not considered to have a regular practice and game schedule.

coverage

**Note: While the asterisked events are excluded under the General Liability Policy, you can obtain medical payment under the Accident Medical policy.*

Participant's Waiver

We receive many calls from PTAs asking about “waivers” of liability. It is very important that you realize that **you can never sign your liability away** regardless of the document or waiver that we are talking about. A waiver will not hold up in court if your PTA is found at fault for an injury occurring at one of your events. However, a waiver is a tool used to help deter the lawsuit mindset. By having all participants sign a waiver, you are helping to plant the seed that the participant is responsible for their own actions. While a waiver isn't a requirement to extend coverage under the General Liability policy, it is a step in the right direction to help protect your PTA against bodily injury lawsuits. There are two different waivers that are offered within this Risk Management Guide. The first is a Parent's Approval and Student Waiver. This would be used anytime you need a person under the age of 18 to sign for a specific event. The other is a Participant's Waiver. This would primarily be used anytime you want someone over the age of 18 to sign for a specific event. You will find both of these waivers listed on the pages to follow. Both of these documents are also available on our website at www.aim-companies.com.

PARENT'S APPROVAL AND STUDENT WAIVER

_____ has my (our) permission to participate in

 Name of minor

_____ on _____
 Event or Activity Date

At _____
 Location

I (we), as parent(s) or guardian(s) of the minor, do hereby, for my (our) _____
 Son/Daughter

Myself, my (our) heirs, executors and administrators, remise, release and forever discharge

 Parent Group

And the _____, and all _____ officers, employees and
 (State Parent Group - if any) (Parent Group)
 agents of each of the foregoing, acting officially otherwise, from any and all claims, demands, actions or causes of
 action on account of referred. I hereby certify the minor is my (our) _____ and that his/her date
 of birth is _____
 Date Son/Daughter

And I (we) do hereby certify that to the best of my (our) knowledge and belief said minor is in good health. In case of illness or
 accident, permission is granted for emergency treatment to be administered. It is further understood that the undersigned will assume
 full responsibility for any such action, including payment of costs. I (we) hereby advise that the above named minor has had the
 following allergies, medicine reactions or unusual physical condition which should be made known to a treating physician. (If none,
 please write the word "none".)

1. _____
 Signature Print Name

 Address City Phone

2. _____
 Signature Print Name

 Address City Phone

3. Alternate Adult Contact:

 Signature Print Name

 Address City Phone

PARTICIPANT'S WAIVER

In the consideration of the acceptance of my entry in the

_____ on _____
(Event Title) (Date)

sponsored by _____ I, the undersigned
(Parent Group)

participant, intending to be legally bound, do hereby for myself and heirs, executors,

administrators and assigns, forever waive, release and discharge any and all right, claims and

actions for damages that I may have, or that may hereafter accrue to me against the

_____, including all unit, council and district organizations and all of their

(State Organization if any)

officers, directors, members and volunteers.

I attest and verify that I am physically fit and able to participate in this event and acknowledge that I am aware of the inherent risks in participating in an athletic event of this type.

Signature

Date

Print Name

Address

City

Phone

Additional Insureds

If you are having an event, the event site may ask you to list them as an Additional Insured on your policy. We do not charge for these additions and will be happy to do this at your request. As a precaution, you must know that adding someone as an Additional Insured gives someone else coverage under your policy. For example, let's say you have a fun run at the city park and the park requires you to add them on as an additional insured. If the park gets sued because of something that happens at your event, your policy would provide a defense for the park. In order to process this request, we ask that you provide us in writing with:

1. The date and location of the event
2. The start and end time of the event
3. The name and address of the Additional Insured.
4. Any specific wording required by the entity wishing to be added as an additional insured onto your policy.

To make this a little easier, we have included an Additional Insured form on the next page for you to fill out should you need to add an Additional Insured onto your policy. You can fill out this form and fax it to us at 214-360-0802 or you can fill out this form online as well at www.aim-companies.com.

Certificate Holder/Additional Insured Request Form

Insured Information (please print or type and fax to 214-360-0802)

Organization Name	
Insured Number	
Address	
City / State / Zip	
Board Member Name	
Phone Number	
Contact Fax or Email	

Certificate Holder Information

Name of Certificate Holder	
Mailing Address	
City, State	
Zip Code	

EMAIL ADDRESS OR FAX NUMBER	
Add Certificate Holder as Additional Insured? YES or NO	
Additional Insured Wording <i>(If Applicable)</i>	
Name/Description of Event <i>(If Applicable)</i>	
Dates/Times of Event <i>(If Applicable)</i>	

****We understand adding an Additional Insured is sharing the total policy limit****

Signature of Board Member Representative

Signature	
Date	



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Contractors/Vendors

There are times when you, as a PTA, agree to bring certain vendors or contractors in as entertainment. Prior to bringing in a vendor or contractor, you should ask for a copy of their Certificate of Insurance. A Certificate of Insurance should only come from the insurance company where the vendor does his/her business. Make sure that there is a current date on the Certificate, as that will be your proof that the vendor has followed prudent business practice and has kept his/her insurance active. Your policy **does not insure such vendors**, but it does cover claims for attendees who get hurt from a vendor's services.

Proceed With Caution

The following activities are those which **ARE** covered under your General Liability insurance policy, but we ask that you follow the outlined precautions to limit the risk of a claim.

1. *Baby Sitting* - Baby sitting is something that you would provide during PTA meetings or PTA sponsored events. We ask that you have two adults volunteers (18 years or older) in the room at all times. This dual rule is in force to protect against any molestation claims, to provide a second witness to rule out false claims, and to provide extra assistance in the case of an emergency. If paid baby sitters are involved they will not be covered under this policy.
2. *Athletic Events* - Your General Liability policy covers athletic events such as fun runs, field day, and donkey basketball as long as it is being ran by your PTA. Your General Liability policy does not cover athletic organizations which maintain a regular practice and competition schedule such as a football team or cheerleading squad. Your PTA insurance policy is only meant to cover those 1 or 2 day events that your organization runs...not the football team, the cheerleading squad, or the band.
3. *After School programs* - Your General Liability policy covers after school programs such as chess clubs, etc. During these programs, since it is a PTA sponsored event, we ask that at least one adult from the PTA be present to witness any potential accidents that may occur. One thing you must be careful of with any athletic after school club is the exclusion of organized athletics. If your after school program has a dedicated practice and competition schedule, any claims arising from these events will be excluded.

Deductible

There is no deductible for a claim filed under this policy.

Accident Medical

If you have General Liability, why do you need Accident Medical? How is it different? If you read the General Liability section, you will remember that there is only a \$5,000 provision for medical payment coverage. The Accident Medical policy covers everything that the General Liability policy covers, but offers higher coverage for out of pocket medical expenses. If you have a claim above \$5,000, the injured party could sue the PTA for any amounts incurred. There are also specific exclusions under the General Liability policy including mechanical rides, motor driven vehicles, and more. The Accident Medical policy provides additional coverage for out of pocket medical expenses to help deter lawsuits and to provide coverage where the General Liability policy does not. **This is by no means a replacement to your liability policy but a complement, as the Accident Medical policy does not provide protection in the event of a lawsuit.**

[The Accident Medical policy provides Out-Of-Pocket Medical Expense coverage for events that are specifically excluded under the General Liability policy. It is a supplement to the General Liability policy, not a replacement.]

Coverage Highlights

The Accident Medical policy provides medical payments to anyone who is injured at one of your PTA events. The policy also provides coverage for things that are excluded under the General Liability policy such as:

1. Mechanical Rides (such as mechanical bulls, Ferris wheels, and motor driven trains)
2. Watercraft
3. Automobiles (including school buses and personal autos)
4. Hayrides (if pulled by an automobile or a tractor)
5. Parade Floats (if motor driven or pulled by an automobile)

(This list is not all inclusive. If you have a question about a specific event and are inquiring if coverage is provided please call AIM at 1-800-876-4044).

Policy Limits

The Accident Medical policy is available in three different coverage amounts. They are:

1. \$10,000
2. \$25,000
3. \$50,000

Deductible

There is no deductible for a claim filed under this policy.

Bonding (Commercial Crime)

A PTA should be run like a business. You have a budget to work within, deadlines to meet, and events to plan. The main concern in any business is finances. You may have many different officers with check signing capabilities or you may trust one of your volunteers to run to the bank to deposit fundraising money. Although there may be various safeguards set up to protect your funds, there is still a large risk of someone embezzling your money. The Bond (or Commercial Crime) policy is set up to protect your money, scrip, securities, and other cash equivalents against embezzlement, robbery, and theft.

Embezzlement, Robbery and Theft

With the Bond coverage, your funds are covered from embezzlement by anyone that you entrust with the PTA's money. Some of the people your organization might trust with your funds include:

1. PTA Officers
2. PTA Volunteers
3. Couriers

Position Bond vs. Blanket Bond

There are two types of bonds out there...Position Bonds and Blanket Bonds. Position Bonds usually cover only one person or one position within the PTA. While this option may seem less expensive than a Blanket Bond, these Bonds only protect your PTA if that one person embezzles the money. As a better example, if your PTA only bonds the Treasurer, you will find yourself in a difficult situation if the President embezzles the money. The policy that AIM offers is a Blanket Bond. Under a Blanket Bond, it is not necessary to name everyone covered by the bond nor the position that they hold within the PTA. In the event of a claim, we would ask if the person suspected of embezzlement was trusted with the money or if they stole the PTA's funds. Your funds are also covered from anyone that has check signing capabilities who fraudulently forges a second signature on outgoing checks.

Requirements and Conditions

To extend your Bond policy to your PTA, you must agree to the following requirements:

1. Your PTA must conduct an annual audit/review of the books by an audit/review committee or qualified accountant.
2. The monthly bank reconciliation must be reviewed and signed by someone who does not have authorization to sign checks. Financial software does not qualify under this requirement.

The Two Biggest Obstacles Concerning Embezzlement:

- 1. Understanding that trust can be broken under the right circumstances, and*
- 2. Thinking it won't happen to your organization.*

Safeguarding Your Funds

While the Bond policy is available to protect your funds should they become embezzled or stolen, it is much easier to avoid the situation altogether. With the right safety practices, you can take the proper steps to keep your hard earned funds safe and avoid a disaster altogether.

Exclusions

The Bond policy does not cover funds which disappear by mysterious or unexplained loss. If any of your officers lose the money, there is no coverage. At the same time, if the conditions of the bond policy are not followed, then your claim has the potential of being denied.

Policy Limits

AIM offers three standard coverage amounts. They are:

1. \$10,000
2. \$25,000
3. \$50,000

Even though these are the standard amounts offered, we can extend the offer of a Bond policy all the way up to \$500,000. Please call AIM for pricing.

Police Reports Are Required

Whether you are talking about embezzlement, robbery or theft, these are all very serious illegal crimes. In order to process a claim, you must notify the authorities in your area and furnish us with a police report naming the individual you suspect embezzled the funds. This may be the hardest part of any embezzlement claim, as the individual whom you suspect of the crime is probably someone very close to you and other members of the board. You will be asked to file a police report with your Fidelity Claim Questionnaire. We cannot file a claim to our third party claim administrator without this documentation.

Deductible

There is a \$250 deductible for a claim filed under this policy.

Top 10 Ways to Protect Your Funds Against Embezzlement

1. *Never take PTA money home.*
2. *Deposit PTA money into the bank daily, even if a project is on-going.*
3. *Deposit the money in the bank as soon after the conclusion of the project as possible.*
4. *Two people should always count the money and sign the receipt verifying the amount.*
5. *Two signatures should be required on all checks.*
6. *Never sign a blank check or a check made out to "cash."*
7. *All bills should be paid by check, never cash.*
8. *Conduct an annual audit/financial review of the books.*
9. *Have a non-signer review and sign the bank statements monthly.*
10. *Purchase a Bond Policy and follow the requirements.*

Property Coverage

“We don’t have a lot of Property as a PTA, but we do have fundraisers and raffles. The Property Policy can protect items in our possession for a short time?”
ABSOLUTELY!

Every PTA is worried about theft. Whether it is someone breaking into the storage facility for the PTA’s property or someone stealing merchandise from a PTA event, the issue of theft raises concerns. Your Property policy is there to protect the personal property of the PTA from such perils as theft or fire. One thing that most PTA members don’t realize is that your Property policy can also **protect your fundraising merchandise, auction items, and raffle prizes.**

For example: Your PTA conducts wrapping paper sales as a fundraiser and takes delivery of that merchandise on Friday. Until the children pick the merchandise up on Saturday, you agree to keep the wrapping paper in a portable storage building. What you don’t realize is that the storage building has a leaky roof and a rainstorm is coming. Overnight, all of your wrapping paper is ruined, the children have come to pick up their wrapping paper for delivery, and your Treasurer says that the PTA still owes the fundraising company for the wrapping paper. This policy is made to help you out in a situation such as this.

Property Covered

Your Property policy covers any personal property of the PTA from such perils as fire, lightning, windstorm, theft, and vandalism. Personal property of the PTA are items including popcorn machines, school store supplies, cash registers, posters, coffee makers, and any other property that the PTA uses on a regular basis. As mentioned above, fundraising merchandise is also covered for the same perils.

Gifting Money to the School

We all know that PTA’s raise money to purchase items to give to the school. To further decrease your liability, AIM recommends that the PTA not purchase any merchandise to give to the school directly. Instead, a better choice would be for the PTA to “gift” the money to the school and allow the school to purchase the items that the PTA wishes to donate. We have included a sample gifting letter on the next page for you to use as a reference. While this is an acceptable form, we encourage to put together your own gifting forms with your letterhead to for your school.

Gift money to the school instead of your PTA purchasing the items directly. See page 11 for gifting letter.

you use

Sample Financial Gifting Letter

Agreement between _____ and _____.

(Parent Group)

(School/School District)

The _____ is donating \$ _____ to the _____

(Parent Group)

(School/School District)

for the following purpose/purchase(s) of: _____ . If this purchase is not

made by _____, this amount will be returned to the _____.

(Date)

(Parent Group)

The _____ will be provided with a copy of the purchase order or requisition

(Parent Group)

and a copy of the paid invoice.

Signed _____ Date: _____

(Parent Group) President

Date: _____

Principal/Administrator

_____ *In the case of equipment purchase, also complete the following* _____

The _____ is donating money for the purchase of the following:

(Parent Group)

The/these item(s) will become the property of the school. It is to be used for the following purpose(s):

The _____ may use the item(s) under the following conditions: _____

(Parent Group)

The school will be responsible for the maintenance of the item and for providing supplies. In case of loss or theft, the school will be responsible for replacement and agrees to replace the item with a like kind. The school will hold the _____ harmless for any claim arising out of ownership of the use of the item(s).

(Parent Group)

Signed _____ Date: _____

(Parent Group) President

Date: _____

Principal/Administrator

**The general _____ membership must provide for any expenditure through a budget adoption/amendment and a specific vote at a general meeting. This agreement is void if not ratified by the general membership.

(Parent Group)

Gifting Property Directly to the School

Although, we recommend that any PTA donate money directly to the school instead of gifting property, we do recognize that many PTAs will donate property directly to the school. If this is the route your PTA chooses to go, we recommend getting the school to sign a Hold Harmless Agreement for the property that is donated. The Hold Harmless Agreement says that the school will hold the PTA “harmless” for any maintenance or accidents of the donated property. We have included a sample Hold Harmless Agreement on page 17 of this Risk Management Guide.

*Always use a Hold
Harmless Agreement
when donating property
directly to the school.
(See page 15-16)*

Exclusions

There are certain exclusions that your Property policy has. The following is a list of specifically excluded items:

1. Scrip/Gift Certificates - The theft of scrip is not covered. Scrip is covered under the Bond policy for embezzlement or theft.
2. Marquees - Many PTA's will do a fundraiser for a new sign or marquee which will go in front of the school. Once these signs are permanently grounded, they become real property and are usually covered under the school's property and casualty policy.
3. Computer Labs - As with the marquees, once these computers are given to the school for use by the students, they become property of the school. These labs are not for everyday use by the PTA. A computer specifically dedicated for PTA use, however, is covered.
4. Playground Equipment - This policy does not cover any playground equipment on school grounds. This property is covered under the school's property policy.
*****Note: under many school insurance policies, items such as Marquees, Computers, and Playground Equipment must be gifted to the school in order to provide coverage**
5. Other perils - This policy does not provide coverage for wear and tear, dishonest or criminal acts by a member of the PTA, or damaged property prior to your policy start date.

(This list is not all inclusive. If you have a specific question about event coverage, please call AIM at 1-800-876-4044)

Deductible

There is a \$250 deductible for a claim filed under this policy.

Sample Hold Harmless Agreement

(Name of the Parent Teacher Group)
Parent Teacher Group Address

(Name of the Parent Teacher Group)'s insurance does not cover vendors, concessionaires or service providers. Consequently, all vendors, concessionaires or service providers are required to provide Evidence of Insurance to (Name of the Parent Teacher Group) unless annual Evidence of Insurance has been filed with the (Name of the Parent Teacher Group)'s Insurance Broker.

HOLD HARMLESS AGREEMENT

For (Name of the Parent Teacher Group) Fund Raising Vendors, Concessionaires, or Service Providers.

Insurance Requirements:

- (a) Workers' Compensation Insurance. Required if you have employees engaged in the performance of work under the agreement.
- (b) Comprehensive General Liability, Required \$1,000,000. Combined Single Limit. This policy shall cover, among other risks, the contractual liability assumed by vendor/concessionaire/service provider under the indemnification provision set for in the agreement, and include Bodily Injury, Property Damage, Personal Injury.
- (c) Automobile Liability Insurance. Required only if you are providing transportation (e.g., limousine or bus service) at (Name of the Parent Teacher Group)'s event. \$5,000,000 limit required.

If you (vendor/concessionaire/service provider) fall under (b) or (c), a Certificate of Insurance showing policy limits and an endorsement to the policy MUST be submitted with your contract.

Contract containing the following language MUST be added to the above policies (b) and (c) as an Additional Insured:

The (Name of the Parent Teacher Group), including all of their officers, directors, members and volunteers. The Insurance afforded by this policy shall be primary insurance to any other valid and collectible insurance available to (Name of the Parent Teacher Group) and

(Name of vendor/concessionaire/service provider)

I/WE _____ (vendor/concessionaire/service provider) agree(s) to defend and to indemnify and hold harmless, at my own cost, the (Name of the Parent Teacher Group) and all of their officers, directors, members and volunteers.

NOTE: The terms and conditions of this agreement shall apply with respect to Vendor's/Concessionaire's/Service Provider's operations on the premises located at:

Date: _____ Signed: _____
(vendor/concessionaire/service provider)

Name of Entity: _____ Title: _____

Note: Failure of Vendor/Concessionaire/Service Provider to keep the required insurance policies in full force and effect during the work covered by this agreement shall constitute a breach of this agreement. In the event of a breach, **(Name of the Parent Teacher Group)** shall have the right but not the duty to procure insurance covering the vendor for the period of this agreement. The cost of this insurance will be deducted by the **(Name of the Parent Teacher Group)** from proceeds due to the Vendor/Concessionaire/Service Provider.

Officer's Liability (Non-Profit Professional Liability)

We've covered your events with the General Liability Policy and the Accident Medical Policy, your funds with the Bond Policy, your property with the Property Policy, but what about the decisions that you make as a board? As with any business, you as an officer of the PTA can be sued for any decisions that you make individually or as a PTA. These decisions can include what type of fundraiser to have, where to hold an event, or any other managerial decisions. This policy is to protect the way you manage the PTA and the decisions that are made by you and other board members of the PTA.

Coverage Highlights

The Officer's Liability policy provides \$1,000,000 to cover any decision that you as an officer may make. Other things that might fall under this coverage are items such as:

1. Mismanaging the funds of the PTA
2. Any wrongful act including errors and omissions, misleading statements, or negligent acts
3. Discrimination
4. Incorrectly running your elections
5. Not following your by-laws
6. Misrepresentation

(This list is not all inclusive. If you have a question about a specific situation and are inquiring if coverage is provided please call AIM at 1-800-876-4044)

Exclusions

There are certain exclusions that your Officer's Liability policy has. The following are specifically excluded items:

1. Any criminal acts
2. Any knowingly wrongful act
3. A claim arising from the operations of any political action committee
4. Claim brought on behalf of insured or any entity affiliated of insured

(This list is not all inclusive. If you have a question about a specific situation and are inquiring if coverage is provided please call AIM at 1-800-876-4044)

Deductible

There is a \$1500 deductible for a claim filed under this policy.

Targeting Identity Theft

Occurring every 79 seconds, identity theft is the fastest-growing crime in the nation, and parent groups are not immune. As an organization, you are at risk from criminals using your information such as your Tax ID number, bank accounts, and even your non-profit status to commit bank fraud, checking account fraud, fraudulent electronic fund transfers, and other criminal activity.

How It Happens

1. Dumpster Diving - Criminals sift through your trash looking for bills or other paperwork with your organization's information on it.
2. Changing Your Address - They re-route your billing statements to another location by completing a "change of address" form.
3. Classic Theft - They steal your mail, including bank statements and new checks or tax information.
4. Data Breach - They hack into your electronic records and copy all of the data owned by your organization.

What's the Solution? The IDENTITYxtra Plan

Our new **IDENTITYxtra Plan** provides a proactive solution in case this happens to your organization including:

- Dedicated Fraud Specialist to work one-on-one with you
- Placing fraud alerts and freezes on credit reports and enrollment into state identity theft passport program
- Full year of fraud monitoring of over 1,000 public record databases at no cost
- Ongoing education and resources to provide up-to-the-minute news alerts, in-depth articles, monthly newsletters, and a wealth of preventative guidelines

This plan also covers the **Executive Board Members** of your organization *personally* for identity theft. In addition to providing identity theft solutions, the **IDENTITYxtra Plan** provides all members of your organization with a prescription discount card which could save 15-40% off of prescriptions. It also includes an asset recovery program which will search multiple databases to identify specific unclaimed funds from tax refunds, un-cashed checks, dormant bank accounts, etc. for all members of your organization. For more information on our **IDENTITYxtra Plan**, please visit our website at www.aim-companies.com.



The AIM/One Beacon IDENTITYxtra Program was developed with the protection of our Insureds in mind. Should a group purchase this package, they are automatically enrolled in three programs: OneBeacon Assistance Services and OneBeacon Identity Theft Resolution Services and OneBeacon Discount Prescription Plan.

All of these programs will allow you to manage unforeseen circumstances, and are described in greater detail below. There's no need to activate these services, as you can access them whenever you need help.

OneBeacon Assistance Services

OneBeacon Assistance Services helps you deal with the uncertainty of what to do in the event you become sick or injured *while traveling more than 100 miles or more from home.*

Key Services

- **Medical Assistance:** medical evacuation to the nearest medical facility that meets western medical standards and medical repatriation back home upon recovery
- **Personal Assistance:** legal referrals, translation services, emergency messaging, lost ticket replacement and more.
- **Information Assistance:** passport and visa information, travel and health advisories and more.

* For complete details, exclusions and limitations, please consult your insurance certificate.

How to Access OneBeacon Assistance Services:

Your identification card is your key to travel security. If you have a medical or travel problem, simply call us for assistance. Our telephone numbers are printed on your ID card. When you call, please identify yourself as a OneBeacon insured using the Policy number listed on the card.

OneBeacon Identity Theft Resolution Services

OneBeacon Identity Theft Resolution Services provide unlimited one-on-one access to a fraud resolution specialist who is dedicated to protecting and restoring a lost identity

This specialist becomes a personal advocate until the problem is fully resolved - no matter how long it takes.

Services include:

- Proactive assistance after any suspicious activity
 - Advocate-assisted fraud alerts and credit file freeze placed with all credit bureaus
 - Enrollment in credit and fraud monitoring for one year
 - Additional year of active follow up
 - News alerts and ongoing education at www.onebeacon-acchealth-idservices.com
- * For complete details, exclusions and limitations, please consult your insurance certificate.

What to do if you suspect you're a victim of identity theft:

Immediately call the Identity Theft Resolution Center at the phone number listed on your OneBeacon ID card. When you call, please identify yourself as a OneBeacon insured using the Program number listed on the card.

OneBeacon Discount Prescription Plan

Any individual with or without a prescription drug coverage plan will benefit from this service. This plan offers substantial savings from 15% on brands to over 40% on generics. Plan is available to entire family.

- Easy to use Website <http://onebeacon.agelity.com> On Line Pricing Tool and Pharmacy Locator
- No Premiums - No Deductibles - No Forms to fill out

How to use the Discount Prescription Card:

Visit the website, select the pharmacy nearest you, find the price you want to pay, submit your prescription or bring empty prescription bottle in for transfer, show your OneBeacon Prescription card and save!

Claims

We take claims very seriously and ask that you let us know about the possibility of a claim as soon as possible. We have included a claim form in this publication, but you may also print one off from AIM's website (www.aim-companies.com), or you may call us at 1-800-876-4044. Depending on the type of claim, there are separate documents that you have to send in. Once we have all of the information that we need, your claim will be filed with our third party claim administrator. The severity and details of the claim will judge how long it will take for claim to be settled and/or denied.

General Liability Claims

In order for us to process a General Liability (bodily injury) claim, we will need the following documentation:

1. Properly completed Notice of Occurrence
2. A description of the incident from a member of the PTA in his/her own words
3. All medical bills from the claimant
4. Any other information that might be pertinent to the claim

Accident Medical Claims

In order for us to process an Accident Medical (bodily injury) claim, we will need the following documentation:

1. Properly completed Notice of Occurrence
2. A description of the incident from a member of the PTA in his/her own words
3. All medical bills from the claimant

Bond/Embezzlement (Commercial Crime) Claims

In order for us to process a Bond (embezzlement/theft of money) claim, we will need the following documentation:

1. Properly completed Notice of Occurrence
2. Fidelity Claim Questionnaire
3. Copy of the Police Report
4. A description of the incident from a member of the PTA in his/her own words
5. Any other information that may be outlined on the claim form.

Property Claims

In order for us to process a Property (theft or natural disaster of your organization's property) claim, we will need the following documentation:

1. Properly completed Notice of Occurrence
2. Copy of the Police Report, if stolen
3. A list of property damaged or stolen and the value of the property

Officers Liability (Non-Profit Association Professional Liability)

In order for us to process an Officers Liability claim, we will need the following documentation:

1. Properly completed Notice of Occurrence
2. Any supporting documentation from the claimant with charges filed against the PTA or PTA officers



GENERAL LIABILITY NOTICE OF OCCURRENCE / CLAIM

DATE (MM/DD/YYYY)

AGENCY	INSURED LOCATION CODE	DATE OF LOSS AND TIME		AM
				PM
	CARRIER	NAIC CODE		
	POLICY NUMBER			
CONTACT NAME:				
PHONE (A/C, No, Ext):				
FAX (A/C, No):				
E-MAIL ADDRESS:				
CODE:		SUBCODE:		
AGENCY CUSTOMER ID:				

INSURED

NAME OF INSURED (First, Middle, Last)		INSURED'S MAILING ADDRESS		
DATE OF BIRTH	FEIN (if applicable)			
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	PRIMARY E-MAIL ADDRESS:		
		SECONDARY E-MAIL ADDRESS:		

CONTACT

CONTACT INSURED				
NAME OF CONTACT (First, Middle, Last)		CONTACT'S MAILING ADDRESS		
PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL	SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL			
WHEN TO CONTACT		PRIMARY E-MAIL ADDRESS:		
		SECONDARY E-MAIL ADDRESS:		

OCCURRENCE

LOCATION OF OCCURRENCE	POLICE OR FIRE DEPARTMENT CONTACTED
STREET:	
CITY, STATE, ZIP:	REPORT NUMBER
COUNTRY:	
DESCRIBE LOCATION OF OCCURRENCE IF NOT AT SPECIFIC STREET ADDRESS:	
DESCRIPTION OF OCCURRENCE (Attach ACORD 101, Additional Remarks Schedule, if more space is required)	

TYPE OF LIABILITY

PREMISES: INSURED IS <input type="checkbox"/>	OWNER <input type="checkbox"/>	TENANT <input type="checkbox"/>			TYPE OF PREMISES
OWNER'S NAME & ADDRESS (If not insured)					PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
					SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
					PRIMARY E-MAIL ADDRESS:
					SECONDARY E-MAIL ADDRESS:
PRODUCTS: INSURED IS <input type="checkbox"/>	MANUFACTURER <input type="checkbox"/>	VENDOR <input type="checkbox"/>			TYPE OF PRODUCT
MANUFACTURER'S NAME & ADDRESS (If not insured)					PRIMARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
					SECONDARY PHONE # <input type="checkbox"/> HOME <input type="checkbox"/> BUS <input type="checkbox"/> CELL
					PRIMARY E-MAIL ADDRESS:
					SECONDARY E-MAIL ADDRESS:
WHERE CAN PRODUCT BE SEEN?					

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Additional Questions

Should you have additional questions that we haven't answered in this Risk Management Guide, please feel free to contact us through one of the ways listed below:

Association Insurance Management, Inc.
PO Box 742946
Dallas, TX 75374-2946

1-800-876-4044 or 214-360-0801

Fax: 214-360-0802

Email: aim@aim-companies.com

Website: www.aim-companies.com

This Risk Management Guide is only a summary of policy coverage and in no way takes precedent over actual policy language.





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WAIVER FORM

This is to confirm that the _____ PTA of PTA District # _____ wishes to reject the commercial general liability insurance coverage provided to the Illinois Congress of Parents and Teachers, Inc., for the following reasons:

1. We have purchased other insurance. Please list the company name and address: _____

2. Other: _____

We understand and agree that by rejection of this insurance, we accept full responsibility for the payment of all necessary legal expenses, to defend and/or pay claims, alleging personal injury or property damage arising out of any and all activities of this local association, (whether incorporated or unincorporated), its officers, employees, or individual members, either individually or collectively.

NAME OF LOCAL UNIT _____

PRESIDENT'S NAME _____

WAIVER FORM SIGNED BY _____

TITLE _____

WITNESSED BY _____

DATE _____

MAIL TO: Illinois PTA
P O BOX 907
Springfield, IL 62705-0907