

# ***NON-PROFITS AND INSURANCE***

## Caveats:

Legal Disclaimer: **This presentation is for informational purposes only and is not legal advice.**

Scope of Presentation: **This presentation is focused on volunteer-only non-profit entities that do not: own or lease property (including vehicles), engage in substantial lobbying or fundraising efforts, or offer products for sale.**

# Why Does a Non-Profit Need Insurance?

- To protect members, directors and officers, volunteers
- To encourage participation in governance and activities
- To receive legal assistance in lawsuits
- To have access to risk management guidance
- To help in renting venues
- To support grant writing

# What Does Insurance Cover?

- **bodily injury**
- **property damage**
- **commercial injury**
- **mismanagement**

Whether caused by or to members, volunteers or third parties

# What Types of Insurance Should It Obtain?

## Notes:

- **Unincorporated entities might find it difficult to obtain insurance.**
- **Insurance for typical Round Tables should be affordable.**
- **As with any insurance coverage, it is important to understand coverage and exclusions.**
- **Entities should ensure it follow procedures in policies**

# What Types of Insurance Should It Obtain?

(Cont'd)

- **Commercial General Liability Policy (CGL or GL)**
- **Business Auto Policy (or in BOP)**
- **Directors' & Officers' Liability (D&O) Policy**
- **Umbrella or Excess Liability Policy**

# What Resources Are Available To Learn More?

- **Covered: An Insurance Handbook for Nonprofits** (<https://nonprofitrisk.org/products/covered-an-insurance-handbook-for-nonprofits/>)
- **Starting & Building a Nonprofit; A Practical Guide.** (Ninth Edition)  
([https://www.amazon.com/Starting-Building-Nonprofit-Practical-Guide/dp/1413328385/ref=asc\\_df\\_1413328385/?tag=hyprod-20&linkCode=df0&hvadid=475811913007&hvpos=&hvnetw=g&hvrnd=8242324360638155747&hvpone=&hvptwo=&hvqmt=&hvdev=c&hvdvcmdl=&hvlocint=&hvlocphy=9061285&hvtargid=pla-1211030287877&psc=1](https://www.amazon.com/Starting-Building-Nonprofit-Practical-Guide/dp/1413328385/ref=asc_df_1413328385/?tag=hyprod-20&linkCode=df0&hvadid=475811913007&hvpos=&hvnetw=g&hvrnd=8242324360638155747&hvpone=&hvptwo=&hvqmt=&hvdev=c&hvdvcmdl=&hvlocint=&hvlocphy=9061285&hvtargid=pla-1211030287877&psc=1))
- **The Little Book of Boards: A Board Member's Handbook for Small (and Very Small) Nonprofits**  
([https://www.amazon.com/Little-Book-Boards-Handbook-Nonprofits/dp/1507668813/ref=asc\\_df\\_1507668813/?tag=hyprod-20&linkCode=df0&hvadid=312143020546&hvpos=&hvnetw=g&hvrnd=10649536639759543475&hvpone=&hvptwo=&hvqmt=&hvdev=c&hvdvcmdl=&hvlocint=&hvlocphy=9061285&hvtargid=pla-569443412570&psc=1](https://www.amazon.com/Little-Book-Boards-Handbook-Nonprofits/dp/1507668813/ref=asc_df_1507668813/?tag=hyprod-20&linkCode=df0&hvadid=312143020546&hvpos=&hvnetw=g&hvrnd=10649536639759543475&hvpone=&hvptwo=&hvqmt=&hvdev=c&hvdvcmdl=&hvlocint=&hvlocphy=9061285&hvtargid=pla-569443412570&psc=1))
- **Coverage, Claims and Consequences; an Insurance Handbook for NonProfits**  
(<https://nonprofitrisk.org/wp-content/uploads/2020/06/Coverage-Claims-Consequences-2nd-EDITION-Chapter-3.pdf>)
- **National Association of Nonprofit Organizations & Executives (NANOE)** <https://nanoe.org/>
- **Local classes and conferences**