

A Message from Insurance Board President Timothy Harris

The tragic events of this Fall in Sutherland Springs, Texas, remind us that life is precious and that evil has the potential to find us anywhere, even in houses of worship. In times like these, there are few words that can describe the unimaginable horror that gripped congregants of the First Baptist Church, or that can begin to bring comfort to those grieving the loss of loved ones taken by such senseless violence.

Circumstances as these are never easy to discuss. And, despite these gun related tragedies, our politicians have proven to be unmoved time, and again, to offer any solutions that have the potential to thwart the ability of certain individuals to obtain such weapons. Consequently, we are obligated to discuss the propensity for these situations to occur in our country, and congregations.

In the aftermath of these events, church leaders struggle for answers around church security. Among the tough questions asked are, "What can, or should, a church do to prepare for an event such as this? Should churches encourage their parishioners to be armed in the pews? Should the church hire armed security to guard their doors? How should congregants respond to an active shooter situation; lockdown in place, run, hide, fight?"

For several years, Insurance Board has been providing free resources to churches and related ministries to inform them about relevant tools available to respond to these situations in the most appropriate ways possible. While every response is contingent upon the circumstance presented, there are several important considerations that every church should assess, evaluate, and discuss. Such considerations can include:

- What role should ushers perform in the

congregation, including being responsive to safety and security of congregants; evacuating them using all available exits; being trained in First-Aid/CPR/AED; having the ability to assess threats of unwanted visitors/intruders; or being aware of, and communicating, knowledge of a specific threat or ongoing domestic dispute?

- When was the last conversation with staff/volunteers about emergency preparedness, including actual drills?
- Are volunteers/staff familiar enough with the premises to know the best places to exit or shelter in place?
- Are there effective ways to notify others on the premises of an imminent threat (fire alarms/public address system, etc.)? Do people know where these are?
- Where can a church find resources available to assist?

Additionally, with regard to guns on the premises, most experts do not recommend encouraging civilians to carry guns into the pews. Concealed carry laws vary widely by state, and individuals may actually find themselves in legal jeopardy if the use of a gun is not specifically authorized under the state's concealed carry law. Also, congregants with guns in the pews may create confusion once law enforcement officials arrive further exacerbating an already tense situation. If a church decides to provide armed security, it should be provided by an off-duty, uniformed law enforcement officer. A law enforcement officer in uniform may deter an event from happening, and a law enforcement official is best trained to react to a hostile situation.

The Federal Emergency Management Agen-

cy ([FEMA](#)) and Department of Homeland Security ([DHS](#)) have resources and information about what an individual should do during an active incident. Those options include run/escape, hide/lockdown, or fight/counter. FEMA includes a link on its page to a 5-minute video that evaluates these options during a shooter situation.

That video can be found on FEMA's website under "Shareables." IB has also contracted with an organization known as ALICE, to facilitate resources and education. ALICE stands for "Alert, Lockdown, Inform, Counter, Evacuate." During an active shooter incident, running or escaping the environment is the optimal solution, but may not always be feasible.

These services are available to member churches and ministries regardless of whether they purchase insurance coverage through IB. Please note that if you are currently a member church or ministry which purchases general liability insurance coverage from us, your policy provides coverage for certain expenses related to an active assailant scenario, including such items as public relations costs, counseling expenses, medical expenses, and other reasonable costs as may be determined.

The resources are designed to equip church leaders to consider, among many options, the most appropriate response(s) to employ during an active shooter/assailant scenario. Additional resources can be found by contacting IB (800) 437-8830, and selecting option 6 at the prompt; or, by accessing our website: <https://www.insuranceboard.org/?s=Active+Shooter>

With care and concern,
Timothy Harris, CPCU
President & CEO

After the Storm



In 2017, natural disasters such as hurricanes, tornadoes and hail/wind storms impacted the US with great frequency and severity. These weather disruptions were seen throughout the year, well beyond the bounds of typical storm seasons. When a storm is brewing, emergency preparedness and safety are the focus, but what about once the storm is over? Safety should continue to be the guiding principle when assessing damage.

Get the “all-clear” from your local emergency management coordinator before traveling to your building, as your presence may hinder emergency operations.

Damaged buildings may contain injury hazards, so it is imperative to dress appropriately with protective clothing: boots, eye goggles, hard hat and respirator. Other tools to bring: a battery powered flashlight, first aid kit and cell phone.

It is best to visually inspect buildings by walking the perimeter and looking for walls that are bowing or have collapsed. Also, look for shingles and other roofing material on the ground as an indication of roof damage. If the building has visible structural damage, it is best not to enter, call for a professional assessment.

If the building does not appear to be structurally damaged, a check for the following

hazards should be done prior to entering the building:

- Make sure all utilities have been safely shut off before entering.
- Gas leaks are common following disasters. Evacuate the area immediately and contact emergency services if you smell gas in the area.
- Downed power lines should be considered “live” and reported to the authorities and utility provider.
- Check for water/sewer line damage.

Upon entering the building, visually inspect the interior for unusual cracks in drywall or plaster, as well as shifts in the flooring. Proceed with caution, as hazards may be on the floor and overhead. Be sure to take pictures of the damage to buildings and their contents.

Be sure to report your claim directly to your agent. An adjuster will contact you within 24-48 hours, and will set up an appointment to review the damages.

If the area is safe, simple clean-up procedures may begin, including securing the building from the elements to mitigate further damage. Do not take on any of these tasks if you place yourself at risk to do so. If you incur any expenses while mitigating the damage, please be sure to obtain an invoice and present it to the adjuster.

Beware the Vacant Church: Frozen Pipes

It is not uncommon for a church or middle judicatory to have ownership of vacant buildings. Insurance policies impose restrictions on coverage for vacant buildings unless certain steps are taken to assure their safety. Higher rates will apply.

While fire, theft and vandalism are notable hazards of vacancy, the hazard that will go unnoticed longer is water. Insurance policies will generally require that building heat be maintained or that plumbing systems be drained. Special care must be taken for fire sprinklers depending on whether it is a “wet pipe” or “dry pipe” system.

When buildings are kept heated, pipes can still freeze if exposed to frigid air when routed through exterior walls or exposed to freezing drafts. When the building is occupied, the flow of water prevents freezing, but once water is not flowing for several days, pipe contents may freeze, expand and cause the pipe to burst.

Other kinds of leakage through roofs, walls and foundations can occur because of maintenance issues. Such leakage occurring over a period exceeding 14 days will also be excluded. There are also limitations on the occurrence of mold.

So don’t let your vacant buildings get “out of sight, out of mind.” They need to be inspected frequently. When things go bad, they go very, very bad. They never get better; they always get worse.



Assignments of Benefits Contracts

Do you really know what you are signing?

If you have experienced damage to your church property or home from any of the recent weather events, you probably have been approached by a variety of contractors and mitigation companies. Damages just from hurricanes Harvey and Irma are estimated to end up costing between \$150 billion and \$200 billion, which presents a high demand for these companies' services. It also presents a sizable opportunity for unscrupulous vendors to take advantage of churches. One tactic used by these vendors is an Assignment of Benefits contract (AOB). An AOB is an agreement between the customer and contractor that transfers the rights of a customer to the contractor allowing the mitigation contractor to act in place of the policyholder and demand direct payment from the insurance carrier. This is usually done without the knowledge and/or consent of the insurance carrier, and the customer is not fully aware of what he or she has signed and of the unfortunate consequences of violating this contract.

A typical scenario involves a policyholder who is referred to a water mitigation contractor that "promises to take care of everything" including billing the policyholder's insurance carrier directly. The contractor asks the policyholder to sign a work authorization which includes AOB contract language. The contractor then begins the

work, which includes making repairs to areas that were not actually damaged by the event. This is done without the insurance carrier's knowledge, so the carrier is unable to inspect the area to accurately determine the extent of damage.

The contractor then bills the policyholder an exorbitant fee for the work – usually two to three times the actual cost – and charges a high amount of interest if the bill isn't paid timely. The inflated billing and unrelated repairs further compound the problem once the insurance carrier inspects the damage. If the damage isn't covered by the policy, that portion of the damages would be denied. The amount the insurance company ultimately pays can be a fraction of the bill. Because of the AOB contract, however, the policyholder would be responsible for the rest of the payment. If the bill isn't paid to the contractor's satisfaction, they can place a lien on the property and in some instances, bring about foreclosure.

Many homeowners have been victimized by these practices, and we're now seeing that churches are not immune either. Most homeowner insurance policies contain a clause that prohibits the policyholder from assigning the rights of the policy to another party without the insurance carrier's written consent. Some commer-

cial policies have similar clauses. These clauses are part of the general conditions of the insurance policy and are designed in part to prevent this type of abuse. They are also written to make sure that policyholders retain control of their claims.

Many state courts have ruled in favor of insurance companies in combating AOBs, but they are still allowable in most states. Here are a few tips your church can follow to avoid these types of contracts:

- Never sign a contract you haven't read or don't understand. Call your agent/insurance company first. We can refer you to a licensed, qualified mitigation contractor.
- Be cautious of mitigation contractors who approach your church unsolicited after a storm or major weather event offering quick and easy service. Avoid contractors who attempt to pressure you into signing a contract.
- Try to get three written estimates for the work. A reputable contractor will want to work with your insurance carrier and will often request insurance information before agreeing to do the repairs.
- Do your best to mitigate the damage by protecting/covering exposed areas.
- Finally: Remember, if the offer sounds too good to be true it often is.

Insurance Board Webinars for 2018

The following webinars are scheduled for 2018. These webinars are free and open to all. Webinars are scheduled to begin at 2pm Eastern. To register for one of these webinars click on this link, and click on "Insurance Board Webinars":

<https://www.insuranceboard.org/online-learning/>

Wednesday, February 7th: Preventing and Dealing with Sexual Harassment at Church (Praesidium)

Wednesday, March 14th: Driver Management for Owned and Non-owned Vehicles (The Hartford)

Wednesday, April 11th: Risk Management for Camps (The Insurance Board)

Wednesday, May 9th: Ladder Safety (The Hartford)

Wednesday, August 8th: Unique Risks Preventing Sexual Abuse in the School Environment (Praesidium)

Wednesday, September 12th: Trending Risk Management Concerns for Churches (The Insurance Board)



Every Season is Slips and Falls Season!

Contrary to popular belief slips and falls occur all year in every climate!

The haven of your church is probably the last place you would think of as a dangerous environment. Yet, our church homes are full of potential hazards for our congregants. These hazards come in a variety of forms, including, steps and stairwells, slippery parking lots or walkways, sidewalks in disrepair, or simply transitioning from one surface to another, such as from a marble floor to carpeting. Group these obstacles with the physical ailments many of our elderly church members experience, such as failing eyesight, balance issues, and physical frailty, and you have a recipe for disaster. According to the U.S. Centers for Disease Control and Prevention, falls are the leading cause of fatal injury and the most common cause of non-fatal trauma related hospital admissions among older adults.

The good news is that slips, trips, and falls are largely preventable through inspections and preventive maintenance. Regular walk-throughs should be conducted of the church premises to make sure property is kept in good condition.

Starting on the exterior of the building, follow the path your church members travel each week. Begin with the parking lot and walkways to the church and look for uneven pavement and potholes. If you notice an area that requires attention and the necessary repairs cannot be done immediately, the area should be secured. Drainage grates should be clear, as a

blocked grate may cause standing water. Additionally, any debris such as tree limbs, leaves, trash, etc. should be cleared.

In inclement weather, snow and ice should be promptly removed, and salt or sand should be applied. Snow and ice removal should be documented in a log.

Certain jurisdictions consider the public sidewalks to be the responsibility of property owners. If this is the case in your area, be sure to include these in your regular inspection/maintenance programs.

Your review of the external areas of the property should be completed in the evening as well. Reduced visibility increases the opportunity for falls. Multiple lighting sources should be considered, as well as reflective strips on walkways and stairs.

As you proceed to the entryway of the church, be sure to inspect steps and ramps. These should be in good condition with securely fastened handrails. Handrails should be round so they are easy to grip and should run the length of the steps or ramp. Highlighting the leading step edges with yellow paint is a good practice, in order to make them more visible. Hand-capped entrances and exits should be clearly marked with appropriate signs. Although the Americans with Disabilities Act (ADA) may not apply to churches, state and local laws may apply. The ADA has specifications on ramps, and it would be a best practice to follow to make sure that they are safe.

Non-slip mats should be used on the outside and inside of the entryway. This allows for debris and snow to be scraped off shoes and boots prior to entering the building. The interior secure, non-slip mats should be of adequate size so that visitors take at least three steps on them. If the non-protected floor beyond the mats is wet or soiled, larger mats should be used.

The aisles in the sanctuary should be clear of clutter, and easy to navigate. Any tripping hazards, such as electrical cords or cables, should either be removed from floor areas or taped down. Carpets should be in good repair and free from frays or tears. The transition from a hard flooring surface to carpeting should be inspected, as this may be a tripping hazard.

Interior steps and stairwells should have stair treads and be well lit, especially at the top and bottom of the steps.

Should an incident occur:

- If the person is injured, render first aid or call EMS if needed.
- Get pictures of the damaged area. Claims negotiations revolve around whether the defect was significant or obvious.
- Prepare an incident report to keep on file. Get details from those who may have seen what happened.
- Protect the area, if necessary, so that no other injuries occur.
- Contact your Insurance Board agent.