

# **INSURANCE / RISK MANAGEMENT**

## **RISK MANAGEMENT**

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## **CHURCH INSURANCE**

The Risk Management Department, a division of the Treasury Department, provides specified insurance services and claim assistance for the churches and schools of the Southeastern California Conference. Policies and coverage plans include the following:

### **CHURCHES AND SCHOOLS PROPERTY INSURANCE**

Property Insurance policies are issued, on a replacement cost basis, to cover fire and theft losses as well as other perils usually provided on this type of policy. Surveys are made to determine the current replacement value of new structures and to review values on existing structures to ensure that coverage provided, is adequate for current needs. Renewal policies are carefully reviewed, to determine that they meet the requirements of the individual churches in the best manner possible. Please check your policies over carefully, as you are the final judge as to the items covered and the limits of coverage. Report any changes in physical properties to the Risk Management Department.

### **GENERAL LIABILITY INSURANCE**

General Liability Insurance is provided for all churches, church schools and welfare centers. Liability insurance covers all the activities of the churches and schools on their premises, as well as away from the premises. In case of suits or court judgments, the cost of legal defense and the payment of awards are provided up to the limits of the policy. Charges for this insurance are distributed to the churches based on membership.

### **AUTO LIABILITY INSURANCE**

Auto Liability Insurance is provided for all owned, hired, and non-owned vehicles. Notify the Risk Management Department when you acquire a new vehicle and when you sell. Buses older than the 1977 models are not considered safe, and it is strongly recommended that you **not** obtain them. Each designated drivers must complete a driver questionnaire. Charges for this insurance coverage are billed directly to the church, or school. Remember, do not purchase the 15 passenger van or rent the 15 passenger van.

### **MEXICO AUTO INSURANCE**

Excess liability for Mexico is available for owned, leased, or individual's private vehicles being used in a church sponsored trip into Mexico. The Primary insurance **must** be purchased before crossing the border.

### **PREMISES AND ACTIVITIES ACCIDENTAL MEDICAL INSURANCE**

Medical Insurance is provided for the payment of medical expense incurred in connection with injuries sustained on the church premises or on any church-sponsored activity up to the limits of the policy. Coverage includes activities such as: Vacation Bible Schools, church picnics, youth activities and Sabbath School outings. Cost for this coverage is included in the General Liability Policy.

## WORKERS' COMPENSATION INSURANCE

Workers' Compensation Insurance, as required by law, is provided for all employees. The churches are billed for the cost of this coverage for their auxiliary workers. Full medical expense coverage and statutory payments for lost wages is furnished for all work-related injuries. State law requires that work related injuries be reported within three days of the injury. Injuries resulting in hospitalization or death must be reported immediately. Please contact the Human Resource Department.

## PATHFINDER INSURANCE

Is currently provided through the Conference Office and covers all the activities of the clubs. This is an accident policy whose cost is normally assessed to each Pathfinder by the club. Billings are made and payment is received by the Youth Department of the Conference.

## VOLUNTEER LABOR COVERAGE

Coverage is provided for medical costs that arise as a result of an accident to a volunteer worker while performing voluntary labor and services for the church. This coverage is excess to any other insurance or Medicare. Coverage for construction projects outside of North America must be purchased specifically for each individual project.

## EXECUTIVE RISK

All church and school treasurers, and their assistants are covered under a Fidelity (honest) Bond. The church or school for their specific function must appoint these individuals. This bond would reimburse the church or the conference for the loss of funds due to the dishonest acts of one appointed to this important position. Coverage is excluded when there is prior knowledge of any dishonest act. This bond is part of a master policy, which includes director's and officer's liability; to also include church, and school board members.

## CLAIMS REPORTING SERVICES

Insurance contracts require **"timely reporting"** of claims. The late reporting of claims may void coverage in certain instances. **It is particularly important that personal injury accidents be reported immediately**, as this decreases the possibility of legal action on the part of the injured party.

## WEBSITES

These are important websites to remember on your browsers.

[www.adventistrisk.org](http://www.adventistrisk.org)  
[www.ncsrisk.org/adventist](http://www.ncsrisk.org/adventist)  
[www.secc.adventistfaith.org](http://www.secc.adventistfaith.org)

## CLAIMS REPORTING PROCEDURES

### PROPERTY LOSSES

1. Take steps to minimize the loss. For example, if a water pipe breaks, take immediate steps to remove the water and dampness.
2. If the losses the result of theft, vandalism or any other crime, make an immediate report to the police department. If you discover additional items missing after the initial report, notify the police and have them do an amended report.
3. Report the loss to the Risk Management Department of the Conference Office. If it is a major loss, there may be the need of an adjuster to assist you with the claim.
4. In order for the claim to be processed the following items are needed:
  - a. A "Statement of Loss" indicating the date of the loss (or the date of discovery if the date of loss is unknown), a description of what happened, what was damaged or stolen, the name of the contact person, phone number, and the name of the entity.
  - b. If it is a theft or vandalism, a copy of the police report is needed.
  - c. An inventory of items taken and / or damaged.
  - d. Receipts for repair, invoices for replacing items or written estimates from a vendor for repairs, or replacement.

### AUTOMOBILE CLAIMS

1. Report any accident involving a church owned vehicle or private vehicle on church sponsored activities immediately to the Risk Management Department, listing the driver, church owned vehicle involved, date of accident, and the name, address, telephone number, of the other party. Identify the make, model and license number, and give a description of the damage incurred by the other vehicle.
2. Report to police, if needed.
3. Obtain two estimates for repairing the church owned automobile.
4. **\*\*\*Make no statements as to fault – leave that for the insurance company\*\*\***

**PERSONAL ACCIDENT CLAIMS**

If someone is injured while participating in a church sponsored activity, notify the Risk Management Department at the Conference Office as soon as possible. A "Medical Payments Statement of Loss Form" must be completed and signed by a church official.

**WORKERS' COMPENSATION INSURANCE**

Report any work related injuries immediately to the Human Resources Department. Procedures for completion of the claim will be sent to the injured employee.

**VOLUNTEER LABOR**

Report any volunteer injury to the Risk Management Department. An "Injury Claim form and Medical Services Claim Form" must be completed and signed.

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