

BY ROY HAYHURST

Steps your church can take to update insurance coverage

A tree crashes through your church offices. A fire rips through your facility just before the Christmas season. A volunteer driving teens to a mission opportunity crashes into another car at a red light. None of these scenarios are easy to consider. The trouble is, they can and do impact churches of all sizes and in any part of the country.

“Churches need to make sure that if something happens they have adequate coverage to protect them” says Gaelen Cole, property and casualty program manager at GuideStone Financial Resources. Among the types of coverage churches should talk with their church insurance agents about: Property and casualty, including business interruption/extra expense (BI/EE), and abuse and molestation.

Other areas that can help mitigate claims for a church are things like placing hail cages around air conditioning units placed on a roof — especially important in areas where hail is common. As the price for copper has risen, many churches have experienced theft of air conditioning units

Another area church leaders should inspect is downspout placement. “You want to make sure you have good drainage, that the waterspout doesn’t pool water near the building, especially if you have a sub-floor or basement situation,” Cole says. “One big thunderstorm could create a flooding issue that is not generally covered by insurance.”

Along with physical property

claims, Cole says churches should talk with their church insurance agent to discuss whether their auto liability insurance coverage extends from the church van to volunteers’ vehicles.

Due diligence

“The church shouldn’t be ashamed, afraid or embarrassed to ask for a copy of the volunteer’s driver’s license, a copy of the driver’s personal insurance and to do a simple safety check of the vehicle to ensure it’s in good working order,” Cole says.

Business interruption/extra expenses (BI/EE) are also important to keep in mind. Consider this scenario: Your sanctuary becomes unavailable for services for one week during the month of December. Where do you meet? Further, if you have to cancel services, what happens to the church’s budget when it misses one week’s gifts?

“If you have an otherwise coverable loss – a tornado hits, a fire sweeps through your facility – most policies can provide some minimal amount of (BI/EE) coverage,” Cole says. “This is why you need to spend time with your agent and discuss your needs.”

Extra-expense coverage allows reimbursement for whatever reasonable extra expenses you incur during an otherwise coverable loss.

While property claims are common and churches should focus on mitigating those dangers, one area that cannot be overlooked in any conversations with your church insurance pol-

icy is casualty insurance. This type of insurance is primarily concerned with losses caused by injuries to persons and legal liability imposed upon the insured for such injury or damage to property of others.

Part of the casualty coverage extends to an especially troubling area for churches: abuse and molestation. Churches that have experienced sexual abuse and misconduct all share one characteristic: They did not expect or intend for these acts to take place.

Existing procedures

Churches need to be aware of existing procedures regarding the reporting of instances of child abuse to appropriate authorities and take steps to comply with such requirements. As a preventative step, simple policies that prevent one-on-one interaction and physical controls that keep children in secured areas should be implemented to help protect youth and children. Vigilant policies by church boards and committees can help mitigate the risk, but church insurance coverage can help protect the church as well. CE

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