



INSURANCE GUIDE

New York State

PTA[®]

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Why Does My PTA Need Insurance?

The number one question that most PTAs face today is “Why does my Association need insurance?” That’s a great question and one that every PTA should ask itself. There are many misconceptions about insurance when it comes to PTAs. Did you know that you, as an individual member or officer of your Association, you 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 Association’s events. Are you willing to put your checking account, your savings account, possibly your 401k or other assets at risk for your Association?

Insurance not only protects your Association, but also protects you as an individual, especially when there is limited coverage through your homeowner’s insurance. This Insurance 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 its members, should something happen at one of your events.

Common Misconceptions:

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

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’s 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 them from. 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 Association against embezzlement, nor does your General Liability policy provide coverage if your Association’s fundraising t-shirts are stolen.

There are four different insurance policies offered to PTAs that have totally different objectives which we will cover in this guide.

1. General Liability with Extended Medical Payments (Included in NYS PTA Package)

- Optional Extended Accident Medical Payments Endorsements
- Optional Media Liability Endorsements
- Optional Terrorism Coverage

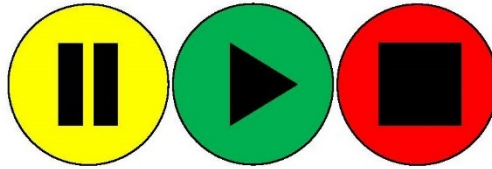
2. Professional Liability (Directors & Officers Liability) (Included in NYS PTA Package)

3. Fidelity Bond (Crime) (Included in NYS PTA Package)

4. Inland Marine (Business Personal Property) (Optional)

- Optional Terrorism Coverage

General Liability



Included in NYS PTA Package

Underlying \$1 Million, Umbrella \$5 Million

Let's face it, everyone involved in a PTA is volunteering for the same reason...the children. Even though you are putting your valuable time and numerous hours into making your Association 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 an incident leads to a lawsuit against your Association, as a volunteer named in a lawsuit, your personal assets could be at risk. The General Liability policy protects not only your Association, but protects you as a member as well.

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

Bodily Injury and Property Damage

Bodily Injury & Property Damage are covered in 2 parts under your General Liability policy:

1. **Liability** - \$1 million per occurrence and a \$2 million General Aggregate to cover damages for bodily injury or damage to property of others.
2. **Extended Medical Payments** – up to \$5,000 per person to cover medical expenses (outside a lawsuit.)

The **Liability** portion will come into effect for lawsuits in which your PTA is being sued for bodily injury or property damage of others. You have up to \$1 million per occurrence per policy period to compensate for any judgments made against you.

General Liability Umbrella- Included in your coverage through NYA PTA is an excess coverage Umbrella policy which provides extended limits under the General Liability policy up to \$5 million.

The **Medical payments** portion will come into effect for minor medical injuries that are sustained by a volunteer of your Association, a board member, or a third party at one of your Association's 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. Medical Payments coverage helps protect your Association and its members by deterring a lawsuit, while helping the injured party cover out of pocket expenses they may incur in seeking treatment.

Sponsored Events

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

1. The event must be scheduled by your Association
2. The event must be planned by your Association
3. The majority of the manpower must be provided by your Association's members

AIM Playlist of Events



STOP: This activity is potentially excluded from your policy. Contact AIM for more details.



PAUSE: Use Caution. Even though this event is potentially covered under your policy, this is a high risk event and you need to take extra precaution when hosting.



PLAY: Covered Event



After School Programs



Archery



Aircraft



All Night Lock-Ins



Animal Rides



Apple Bobbing



Arts & Crafts Activities



Asbestos Exposure



Athletic Leagues, Clinic, Camps



ATVS



Auctions



Babysitting at Meetings



Bake or Food Sales



Balloon Artists



Band Concerts



Baseball Toss



Beautification Projects



Bike Rodeos



Bounce Houses



Bowling



Broom Hockey



Bungee Jumping



Cake Walks



Candy/Wrapping Paper Sales



Carnivals



Colored Sand Painting



Concession Stands



Confetti Eggs



Costume Parties



Cow Bingo



Craft Fair



Craft Workshops



Crossing Guards



Dances



Dinners



Drones



Dunk Tanks



Egg Toss



Enrichment Programs



Face Painting



Family Portraits



Fashion Shows



Fireworks



Fishing (from land)



Food Sales



Fortune Telling



Fun Runs



Gift Wrapping



Golf Tournaments



Grad Nights



Haunted Houses



Hobby Shows



Holiday Boutique



Hot Air Balloons



Ice Cream Socials



Inflatable Slides



Jail Auction Line Dancing



Karaoke



Litter Cleanup



Magic Shows



Mechanical/Motorized Rides



Moon Walks



Movie Night



Open Houses



One Day Athletic Events



Parent Education



Pee Wee Golf



Performing Arts



Petting Zoos



Picnics



Pizza Night



Reading Night



Ring Toss



Rock Climbing Walls



Rocketry



Rummage Sales



Sale of Weapons



Science Fairs



Skating Rink (Roller & Skating)



Spelling Bees



Sumo Wrestling



Swim Parties



Talent Shows



Transportation



Trailers (Detached or Non-Owned)



Workers Compensation



Workshops



Zip Lining

Note: If you do not see an event you are having on this list, please call AIM to verify coverage. This list is not all inclusive and all events are subject to the limits and exclusions in the policy. Please contact us with any questions regarding your event.

General Liability Exclusions

The following is a list of Specifically Excluded items under General Liability:

- Archery
- Automobiles & Vehicular Transportation of Any Type*
- Asbestos Exposure
- Bungee Equipment or Bungee Jumping
- Athletic Activities- organized sports including (but not limited to) sport clubs, sports camps, municipality teams, school teams (public or private), sports leagues, college teams or professional teams
- Hot Air Balloons
- Lead Exposure
- Mechanical/Motorized Rides at Carnival*
- Nuclear Exposure
- Parasailing
- Rocketry
- Scuba Diving
- Scouting
- Watercraft*
- Weapons, including but not limited to guns, knives, Swords, Bows, Axes and Slip Shots/Catapults
- Workers Compensation Claims
- Zip Lining

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.

*Note: While the asterisked events are excluded in the event of a lawsuit, Medical Payments coverage may be available

Liability Waivers

We receive many calls from PTAs asking about “waivers” of liability. It is very important to be aware that **you can never sign your liability away** regardless of the any document or waiver. A waiver will not hold up in court if your Association 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 Association against bodily injury lawsuits. There are two different waivers included 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.

Sample 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
Son/Daughter
of birth is _____
Date

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

All waivers, letters and agreements provided here are samples, meant to serve as a guideline, and may not reflect language specific to your use, or your state. We recommend consulting an attorney should you need to implement any contractual agreement, waiver or gifting letter.

Sample 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 Associations and all of their

(State PTA 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

All waivers, letters and agreements provided here are samples, meant to serve as a guideline, and may not reflect language specific to your use, or your state. We recommend consulting an attorney should you need to implement any contractual agreement, waiver or gifting letter.

Additional Insureds

Your School District or an event site may ask you to list them as an Additional Insured on your General Liability policy. We do not charge for these additions and will be happy to do this at your request. There are two forms you may send us:

The first form is an Additional Insured Request Form. Adding someone as an Additional Insured means you share your policy limits with them. 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 defense for both your PTA and the park, and you would SHARE total limits under your GL policy. The NYS PTA package includes an umbrella policy which increases the limits to help cover situations such as this.

The second form is an Additional Insured Request Form - Primary and Non-Contributory. Like the first Additional Insured Request Form you share your limits with someone else under your policy. But in addition to sharing your limits you are making the other party Primary and Non-Contributory, which means your limits are used to pay the other parties liability first. Then the remaining limit is available to your PTA.

In order to process this request, we ask that you provide us with the form on the following pages. It is required that you provide the following information within the form:

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.
(subject to approval)

To make this a little easier, we have included the Additional Insured forms on the next two pages 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.



General Liability Additional Insured Request Form

PTA Information:

PTA Name: _____

Insured Number: _____ Phone Number: _____

Address: _____

City, State & Zip: _____

Requesting Board Members Name: _____

Contact Email: _____

Additional Insured Information:

Name of Additional Insured: _____

Mailing Address: _____

City, State & Zip: _____

Where to send Certificate (Email/Fax): _____ Same as above

Name/Description of Event: _____

Dates/Times of Event: _____

Additional Insured Wording (if applicable): _____

Insurable Interest of Additional Insured: (Check or List) School/District Use of Premises

Grantor of Permit Teacher/Instructor Other _____

Acknowledgements:

Please note, adding an Additional Insured means you agree to share the total limits of the policy.

Requesting Board Members Signature: _____ Date: _____

Typed or Electronic Signatures are not accepted.

Please send to aim@aim-companies.com. Please allow 24 hours for processing.

Association Insurance Management, Inc.

PO Box 742946

Dallas, TX 75374-2946

Phone: 800-876-4044

Fax: 214-360-0802



Primary & Noncontributory Additional Insured Request

General Liability Endorsement

PTA Information:

PTA Name: _____
 Insured Number: _____ Phone Number: _____
 Address: _____
 City, State & Zip: _____
 Requesting Board Members Name: _____
 Contact Email: _____

Additional Insured Information:

Name of Additional Insured: _____
 Mailing Address: _____
 City, State & Zip: _____
 Where to send Certificate (Email/Fax): _____ Same as above
 Name/Description of Event: _____
 Dates/Times of Event: _____
 Additional Insured Wording (if applicable): _____

 Insurable Interest of Additional Insured: (Circle or List) School/District Use of Premises
 Grantor of Permit Teacher/Instructor Other _____

By submitting this form you are requesting that an Additional Insured be added to your policy on a primary and noncontributory basis. We want to make sure you are fully aware of how adding this language can change your coverage.

The word "primary" in "primary and noncontributory" means that the insurance policy to which this applies will be the primary or first policy to pay out in the event of a claim if there were to be more than one insurer for the same incident or claim. The word "noncontributory" means the insurance policy to which this applies will be the only policy available to pay the claim. This policy will not require any other policy available, to contribute to payment of the claim.

We want you to fully understand that when you add an additional insured on a primary and noncontributory basis, this could reduce policy limits available to your PTA (under your policy) and limit your ability to collect for damages from the Additional Insured. This could include damages involving negligence on the part of the Additional Insured.

Your signature below confirms you acknowledge and understand how adding this language could affect coverage under your policy.

Acknowledgements:

Please note, adding an Additional Insured means you agree to share the total limits of the policy.

Requesting Board Members Signature: _____ Date: _____

Typed or Electronic Signatures are not accepted.

Please send to aim@aim-companies.com. Please allow 24 hours for processing.

Contractors/Vendors

There are times when your Association will 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.

Host Liquor Liability

Host Liquor Liability is NOT excluded under General Liability policies. Host Liquor Liability is defined as bodily injury or property damage arising out of the serving or distribution of alcoholic beverages by a party not engaged in this activity as a business enterprise. A liquor store or bar would be an example of a business enterprise serving or distributing liquor. The liability policies protect you when you host parties and events where alcohol is served. There is coverage whether you give the alcohol away or charge for it. No matter where the party is actually held, your liability insurance goes with you. The act of hiring a caterer to serve food and alcohol does not exclude your Host Liquor coverage. However, if you cater the event and the venue or caterer sells the alcohol, then they assume the liquor liability exposure. You should verify that they have liquor liability insurance by requesting proof of insurance.

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** – Babysitting is something that you would provide during PTA meetings or sponsored events. We ask that you have two adult 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. Paid babysitters are not 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 they are being run by your Association. 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 Association runs...not the football team, the cheerleading squad, or the band.
3. **After School Programs** – Your General Liability policy covers your after school programs. For the after school program to be considered your program, your Association must both organize, and manage the program. If your Association participates in an after school program that is organized and managed by the school, that program is not covered

General Liability Deductible

There is no deductible for a claim filed under the underlying \$1,000,000 General Liability policy.

For claims in excess of \$1,000,000, the \$5,000,000 General Liability Umbrella is subject to a \$10,000 Deductible.

Supplements to your General Liability Policy

(Optional under NYS PTA)

Extended Medical Payments

(Optional Endorsement to General Liability)

If you have General Liability, why do you need Extended Medical Payments Limits? How is it different? If you read the General Liability section, you will remember that there is only a \$5,000 provision for the Medical Payments component of your General Liability policy. If you have a claim above \$5,000, the injured party could sue your Association for any amounts incurred.

The Medical Payments component provides additional coverage for out of pocket medical expenses and helps deter lawsuits. **This is by no means a replacement to your liability policy but a supplement, as the Medical Payments coverage does not provide protection in the event of a lawsuit.**

Help deter lawsuits by providing additional coverage for out of pocket medical expenses.

Extended Medical Payment Limits

Extended Medical Payments coverage is available for purchase in the following Increased Limit Options:

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

Media Liability

(Optional Endorsement to General Liability)

As a supplement to your General Liability policy we also offer Social Media Liability Coverage. This coverage is designed to protect you from liability in the event you accidentally misuse or disclose information on your website or other social media site. This includes misuse of logo, copyright, pictures, confidential information and other misrepresentations or misappropriations.

Coverage Highlights

Media Liability coverage provides coverage for innocent mistakes like these:

1. **Pictures- do you have permission?**
 - Invasion of privacy by posting a photograph that has not been released for use.
2. **Outside company logos- do you have occasion to include company logos for events?**
 - Infringement of copyright, trademark, or logo, when you accidentally post something.
3. **Do you make public ANY information that could be considered confidential?**
 - You could be held liable for disclosing of confidential information.
4. **Could someone feel you misrepresented details of your event and hold you responsible?**

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 800-876-4044.

Media Liability Limits

Media Liability is available for purchase in the following Limit Options:

1. \$25,000
2. \$50,000
3. \$75,000
4. \$100,000

Terrorism

(Optional Endorsement to General Liability)

Under the Terrorism Risk Insurance Act, you have the right to purchase insurance coverage for losses resulting from Certified Act of Terrorism (certified by the Secretary of the Treasury). In comparison to other risks PTAs face, the risk of a Certified Act of Terrorism occurring at one of your events is relatively low. Contact us with questions about determining if your Association needs Terrorism coverage.

Professional Liability (Directors & Officers Liability)

Included in NYS PTA Package

We've covered your events with the General Liability Policy and Medical Payments Coverage, your funds with the Bond Policy, your property with the Property Policy (optional), but what about the decisions that you make as a board? As with any business, you as an officer of your PTA can be sued for decisions that you make individually or as an Association. 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 your Association and the decisions that are made by you and other board members.

Don't get sued for decisions you or the board have made.

Coverage Highlights

The Officer's Liability policy provides \$5,000,000 to cover decisions you make as an officer. Other things that might fall under this coverage are:

1. Inappropriate use of Association funds
2. Wrongful acts, misleading statements, or negligent acts
3. Discrimination
4. Not following your by-laws
5. Misrepresentation

Professional Liability Exclusions

There are certain exclusions within your Professional Liability policy. The following are specifically excluded items:

1. Criminal acts
2. Any knowingly wrongful act
3. Willful or reckless behavior
4. Dishonesty

The above lists are not all inclusive. If you have a question about a specific situation and are inquiring if coverage is provided please call AIM at 800-876-4044.

Professional Liability Deductible

There is a \$10,000 deductible for a claim filed under this policy.

Fidelity Bond (Commercial Crime)

Included in the NYS PTA Package

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 Fidelity Bond coverage, your funds are covered from embezzlement by anyone that you entrust with your Association's money.

Some of the people your Association might trust with your funds include:

1. Officers
2. Volunteers
3. Members

Position Bond vs. Blanket Bond

There are two types of bonds out there...Position Bonds (single person) and Blanket Bonds (Association). Position Bonds usually cover only one person or one position within your Association. While this option may seem less expensive than a Blanket Bond, these Bonds only protect your Association if that particular person embezzles the money. For example, if your Association 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 your Association. In the event of a claim, we would ask if the person suspected of embezzlement was trusted with the money or if they stole funds belonging to your Association. Your funds are also covered for anyone that has check signing capabilities who fraudulently forges a second signature on outgoing checks.

The Two Biggest Obstacles Concerning Embezzlement:

1. Understanding that trust can be broken under the right circumstances.
2. Thinking it won't happen to your PTA.

Requirements and Conditions

In order for Fidelity Bond coverage to apply to your PTA, you must comply with 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.

Coverage may be voided if the above requirements are conditions are not followed.

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 keep your hard earned funds safe and avoid a disaster altogether.

Fidelity Bond Limits

\$50,000 Included in NYS PTA Package

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.

Fidelity Bond Exclusions

The Bond policy does not cover funds which disappear by mysterious or unexplained loss. Additionally, if the conditions of the bond policy are not followed, then your claim has the potential of being denied.

Fidelity Bond Deductible

There is a minimum \$1,000 deductible for a claim filed under this policy, please refer to policy for deductibles applicable.

Top 10 Ways To Protect Your Funds Against Embezzlement

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

Inland Marine (Business Personal Property)

(Optional)

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

For example: Your Association 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 your Association still owes the fundraising company for the wrapping paper. This policy is designed to protect you in a situation like this.

Property Covered

Your Property policy covers personal property of your Association from perils such as fire, lightning, windstorm, theft, and vandalism. Personal property of PTAs are typically items including popcorn machines, school store supplies, cash registers, posters, coffee makers, and any other property that your Association 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 PTAs raise money to purchase items to give to the school. To 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 your Association 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 you to put together your own gifting forms with your letterhead to use for your school.

"We don't have a lot of property as a PTA, but we do have fundraisers and raffles. Can the Property Policy protect raffle items in our possession for a short time?"

ABSOLUTELY!

Gift money directly to the school rather than purchasing the gift items yourself. See the following page for a sample gifting letter.

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

Principal/Administrator Date: _____

----- 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
(Parent Group)
use of the item(s).

Signed _____ Date: _____
(Parent Group) President

Principal/Administrator Date: _____

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

All waivers, letters and agreements provided here are samples, meant to serve as a guideline, and may not reflect language specific
to your use, or your state. We recommend consulting an attorney should you need to implement any contractual agreement, waiver
or gifting letter.

Inland Marine Exclusions

There are certain exclusions within your Property policy. 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 PTAs will conduct 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 your Association's use however, is covered.
4. Playground Equipment – This policy does not cover any playground equipment on school grounds. This property should be 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.

The above list is not all inclusive. If you have a specific question about coverage and if coverage is provided please call AIM at 800-876-4044.

Inland Marine Deductible

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

Terrorism

(Optional Endorsement to Inland Marine)

Under the Terrorism Risk Insurance Act, you have the right to purchase insurance coverage for losses resulting from Certified Act of Terrorism (certified by the Secretary of the Treasury). In comparison to other risks PTAs face, the risk of a Certified Act of Terrorism causing a property loss to your Association is relatively low. Contact us with questions about determining if your Association needs Terrorism coverage.

Claims

We take claims very seriously and ask that you let us know about a potential claim as soon as possible. We have included the following Notice of Occurrence claim form in this publication, but you may also print one off from AIM's website www.aim-companies.com or call us at 800-876-4044.



ASSOCIATION
INSURANCE
MANAGEMENT INC

Claim Form

Date: _____

Producer/Mailing Address:

AIM Association Insurance Management, Inc.

PO Box 742946

Dallas, TX 75374

1-800-876-4044 * FAX 214-360-0802

PTAClaims@aim-companies.com

Insured Information:

Name of PTA (Include Unit Code): _____

Insured ID: _____ Policy Number: _____

Address: _____ Council: _____

City: _____ State: _____ Zip: _____

Person Reporting Claim:

Name: _____ Position: _____

Phone Number: _____ Email Address: _____

Type of Loss:

- Theft of money
Was a police report filed? _____ If so, please include.
- Theft or Damage of property
Was a police report filed? _____ If so, please include.
- Injury
- Other: _____

Witness Contact Information:

Witness Name: _____ Phone: _____

Email: _____

Witness Name: _____ Phone: _____

Date: _____ Location: _____

Description of Occurrence: _____

Injured Party Information:

Name: _____	Date of Birth: _____
Address: _____	City: _____ State: _____
Phone Number: _____	Email Address: _____
Description of Injury: _____	

Cause of Accident: _____	

If you have any photos or videos of the event, please provide them.

Additional Information:

Please add your unit code to any attachments.

Email, Mail or Fax copies of the completed form to:

PTAclaims@aim-companies.com AIM, PO Box 742946, Dallas, TX 75374-2946 Fax# 214-360-0802

PTA.office@nyspta.org NYS PTA, One Wembley Ct, Albany NY 12205-3830 Fax# 518-452-8105

Additional Questions

Should you have additional questions that we haven't answered in this Insurance 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

800-876-4044 or 214-360-0801

Fax: 214-360-0802

Email: aim@aim-companies.com

Website: www.aim-companies.com

This Insurance Guide is only a summary of policy coverage and in no way takes precedent over actual policy language. Your insurance policy, and not the information contained in this document, forms the contract between you and your insurance company. If there is a discrepancy or conflict between the information contained herein and your policy, your policy takes precedence. Certain coverages are not available in all states due to state insurance regulations. Certain coverage(s) may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND CIVIL PENALTIES.