



Big Change Consulting



Nonprofit Insurance

January 2025

Big Change Consulting: Who We Are



Help start up, gear up, and clean up your operations, HR, and fundraising



Provide consulting, training, and referrals



Right-sized services, customized for you



Deep expertise in nonprofits

Our #1 priority is always to advance your mission



Jodi Segal, Founder & Principal of Big Change Consulting



- Has been helping nonprofit organizations start up, gear up, and clean up their operations, HR, and fundraising for 25+ years.
- Before founding Big Change Consulting in 2020, Jodi was Deputy Director at the Ohio Environmental Council. During her 13-year tenure she built their development department, oversaw marketing and communications, and led administration, finance, HR, and was Interim & Acting Executive Director.
- She has also held successful development and operations roles at organizations in Massachusetts and California.

Phillip Shelby, New Business Consultant at Charity One Insurance Agency, Inc.



- Throughout my life I've been passionate about serving my community. Charity One has allowed me to not only do just that, but to serve those who do so much for those in need at a much greater scale - and it doesn't get much more fulfilling than that.
- Apart from insurance, I also love to write music, try new local restaurants, and make clothes in my spare time.



Session Goals



- Gain perspective on your coverage needs and goals
- Get insight into common misconceptions
- Understand how your Broker can help you
- Leave with a better understanding what coverage you need

Why You Need a Broker



- Broker works for you, not the insurance company
- Compare plans from multiple carriers
- They can advise what kinds of coverages your organization need and why
- Can't go directly to the insurance company in most cases
- Broker can assist in securing necessary endorsements that your contract requires

What to Look for in a Broker



- Expertise in nonprofits
- Will work for your best interest, not just sell to you
- Referral by someone you trust is helpful
- Advocate for your organization

Re-evaluate your broker if you aren't satisfied with their communication, advice, or service

How to Be a Good Client



- Communicate about your operations
 - Provide contract requirements
 - Make sure to advise any changes throughout the year
 - Provide clear deadlines
- Respond quickly and thoroughly
- Participate in the application process

Quote Process



1. Set expectations with your broker - timeline, coverage needs, other goals
2. Complete discovery call
3. Takes approximately 2 weeks to receive response from application from carrier to broker
4. Meet with broker to review options, better than just reviewing by email
5. Make decisions, review applications, and sign
6. Save contact information, application, signed paperwork, and certificate of insurance ("COI") to your files if not available on broker or carrier portal

Determine Your Coverage Needs

Statutory	<ul style="list-style-type: none">● Required by law● Includes Workers Comp, auto insurance for cars you own
Contractual	<ul style="list-style-type: none">● Required by some vendors or venues● Event insurance could be done on a temporary, ad hoc basis
Reduce Risk	<ul style="list-style-type: none">● General Liability (GL) - The core coverage that most nonprofits carry. It provides coverage for the nonprofit, activities, and events. Special events may require a “rider.”● Directors and Officers (D&O) - Protects the Board of Directors. BCC recommends all nonprofits carry this.● Errors and Omissions (E&O or Professional Liability/PL) - For organizations that provide professional services. Protects the organization from claims and lawsuits relating to those services.

General Liability (GL)



- Needed once you have operations or if you have a contract requirement
- Covers bodily injury, property damage, and personal injury as a result of your operations
- What it doesn't cover:
 - Property you own
 - Theft/crime
 - Events and event riders (can be added on)
 - Slip and fall for volunteers, staff, contractors

Directors and Officers (D&O)



- Recommend if you have a board of directors. Limits are determined by the assets of the organization
- Especially important if your bylaws have an indemnification clause that makes the organization responsible for all claims against board members in their line of duty
- What it doesn't cover:
 - Employment Practices Liability Insurance (EPLI), can be added as a component of D&O
 - Fraud that arises from employee actions, only covers negligence from the Board and its officers

Errors & Omissions (E&O)



- Also known as Professional Liability (PL) or Social Service Professional (SSP)
- Provides coverage for the organization and the directors and officers, employees, and volunteers for negligence and errors and omissions arising out of the work or service provided by your organization
- Consultants may also be covered in some cases

Events



- Coverage for events may be purchased as short-term, one-off insurance policies
- They may also be scheduled or included on an annual liability policy
- Be sure to work with an insurance professional to confirm coverage for events is included on your annual policy as some insurance policies limit coverage to a designated premises

Autos Owned by the Organization



- Also known as Commercial Auto Coverage; Includes coverage for Auto Liability and/or Auto Physical Damage for autos owned or leased by the organization. Required for vehicles you own
- Depending on your state, you must have coverage for auto liability, no-fault, uninsured, under-insured, and/or auto physical damage coverage
- Coverages and limit requirements vary from state to state
- Be sure to check with your broker to see what coverages are appropriate for your organization

Non-Owned/ Hired Auto



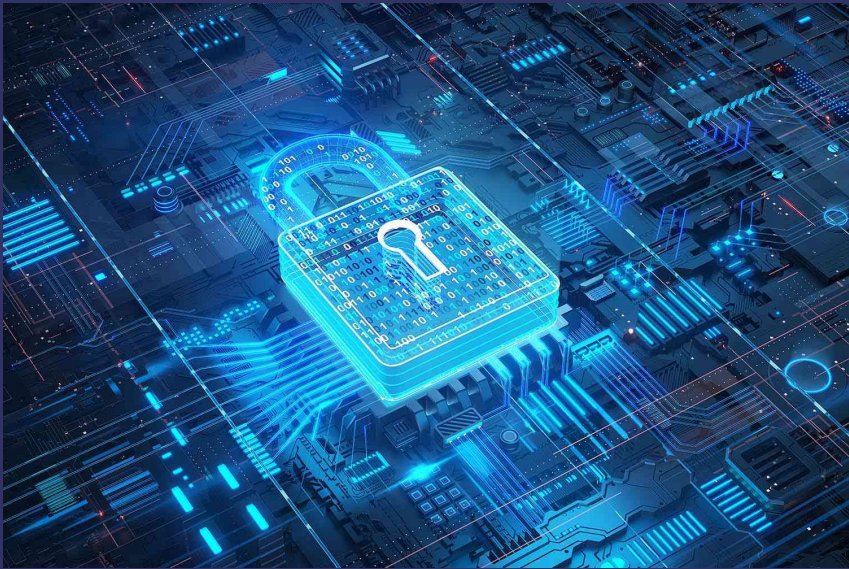
- Needed if anyone is driving on your behalf; Provides liability insurance for the organization to defend itself if it's named in a lawsuit
- Does not cover physical damage of the car owned by staff or volunteers, they should have their own insurance
- Rental companies offer additional coverage. Some insurance carriers provide this insurance

Property



- Buildings you own
- Buildings you lease
- Business property (e.g., furniture, equipment)
- Property in transit (“inland marine”)
- Crime

Cyber



- Varies depending on the insurer and policy terms; Typically covers several key areas
- Can be tailored to respond to data breach response costs, cyber extortion, business interruption, public relations and crisis management, regulatory fines and penalties, cyber liability and legal defense, data privacy and notification and social engineering fraud

Workers Comp (Statutory)



- Mandated when an organization reaches a certain size or # of employees in a state
- Covers expenses an employer is mandated to pay by law to cover employee injuries
- Does not provide coverage for employee/employer related disputes
- Need either “other states coverage” or a separate policy for employees in other states

Employee Practices Liability (EPLI)



- Highly recommended for organizations with employees
- Covers employee related disputes such as wrongful termination, harassment, discrimination and workplace misconduct
- In conjunction with D&O is better than a stand-alone policy

Umbrella



- Extends over existing coverages to provide a higher limit
- Helpful when required to increase your limit for a contract



- Provides coverage against claims of abuse or molestation
- Recommended for organizations that work with youth, seniors, or other vulnerable populations
- BCC recommends background checks for employees, volunteers, and contractors who may encounter vulnerable populations

Certificates of Insurance (COI)



- An illustration of the different insurance coverages that you carry
- Displays additional insured info for 3rd parties or vendors
- Endorsements/riders are attached
- 3 Types of Endorsements:
 - Additional Insured
 - Waiver of Subrogation (to recover costs)
 - Primary & Non-contributory

Reducing Insurance Costs



- Review policies annually with your broker to ensure your current needs are reflected in the renewal proposal
- Have a security system in a physical office/building
- Shop for new coverage every 2-3 years
- Minimize claims with risk management controls
- Provide volunteer and staff training (i.e. sexual abuse and driver training)

Reading Your Policy



- Declarations (includes policy terms, coverage limits, annual premium, and breakdown of each form included in policy)
- Definitions (defines terminology in policy)
- Exclusions
- Endorsements (others named)

Glossary

Auto Liability - provides coverage for the financial risk of civil lawsuits related to automobiles.

Auto Physical Damage - provides coverage for damage to vehicles scheduled on the auto policy

Broker - insurance professional who markets and explains insurance. Must be licensed by a state to place coverage on behalf of clients. Represents the client.

Business Auto/Commercial Auto Coverage - can provide property and/or liability coverage

Carrier - also known as the insurance company or company backing the insurance policy

Certificate of Insurance (COI) - a form that illustrates the insurance policies the organization has, limits, effective dates and special endorsements.

Exposures - risks or operations of the organization that the insurance company uses as a rating basis for coverage.

Statutory - lines of insurance required by law such as Workers Compensation and Auto Liability.



**Schedule your complimentary
15-minute Zoom**





Stay in Touch!

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