

11. Is our group insured?

*Each group that has been approved by the Pine-Richland School District is covered for **general liability** coverage through the district insurance policy. Please contact the district Business Office to find out more regarding this policy.*

Groups should consider D&O Insurance as well as Bonding Insurance. PRUBO highly recommends each group consider additional insurance coverage. Please see the below information to see if this is right for your group.

Directors and Officers Insurance

D&O Insurance is not covered by PRSD nor PRUBO. Each group will need to procure their own insurance – this is not mandatory so each group will need to decide whether it is important to the group.

Costs can range from \$50 to \$750 so please look around.

Directors and Officers insurance protects the parent volunteers from suits filed against the group for breach of duty, misleading information, insurance protection for losses resulting from an actual or alleged error or omissions.

Who is insured: *Any Director, Officer, or a Volunteer working on behalf of the group.*

What is insured: *The policy provides Directors & Officers Liability insurance protection up to \$1,000,000 per occurrence/\$1,000,000 annual aggregate for decisions made by an officer, director or board. Coverage included for the following: Wrongful Act, Error or Omission, Negligent Act, Misleading statement, Breach of Duty and Employment Practices Liability.*

Why: *Peace of mind for parent volunteers sitting on your board or chairing committees*

PRUBO has received quotes on a yearly policy; we have chosen to purchase D&O insurance from R.V. Nucci and Associates, Inc.: <http://protectyournonprofit.com/ptos-booster/>. The reason their cost is lower is that they specialize in protecting PTOs, PTAs, Booster Clubs and Non-profits.

Local Companies that provide D&O Insurance: Tim Heim (theim@hhminsurance.com) or Jay Vaughan (Jay.Vaughan@fcfins.com).

Bonding Insurance Plus

Each Booster group works hard all year raising funds, but are you prepared if the unthinkable occurs and something happens to those hard-earned funds? Money is often kept in private homes overnight and can be in the custody of various officers, it is exposed to loss by embezzlement, robbery and theft.

Who is insured: Any Director, or Officer, or Volunteer

What is insured: Bonding insurance protects your group against exposure to financial losses due to employee dishonesty, forgery, alteration, theft, disappearance or destruction. An employee is classified as any elected officer, committee chairperson, (whether elected or appointed), or any member of the organization acting as a volunteer:

- ***Volunteer (Employee) Dishonesty***-Provides protection for the loss of money, securities, and other property resulting directly from one or more fraudulent or dishonest acts committed by an employee (as defined above) acting alone or in collusion with others.
- ***Forgery or Alteration*** – Provides protection for loss resulting from forgery or alteration of outgoing checks, drafts, promissory notes and similar instruments drawn against the Insured's accounts.
- ***Theft Disappearance and Destruction***- Provides protection for loss resulting from theft, disappearance or destruction. This coverage is divided into two parts:
 - ***Loss Inside the Premises*** – Provides protection for the loss of money and securities by the actual destruction, disappearance or wrongful abstraction within the premise. The definition of premises has been enhanced include the interior of that portion of any building which is used by the insured while conducting business.
 - ***Loss Outside the Premises*** – Provides protection for the loss of money and securities by the actual destruction, disappearance or wrongful abstraction thereof, outside the premises while being conveyed by a messenger, or while within the living quarters in the home of any messenger. The definition of messenger has been enhanced to include the insured or any employee (as previously defined) who is duly authorized by the Insured to have the care and custody of the insured property outside the premise.

Tips to Safe guard group funds:

1. *Keep checks in a safe and secure area.*
2. *Never pre-sign blank checks.*
3. *Have 2 signatures on all checks.*

4. *Look for missing or out-of-sequence checks*
5. *Do not make checks out to cash*
6. *Track all bills paid by keeping copies of invoices and matching receipts*
7. *Review all bank statements and check records each month, review should be by someone who is not the treasurer*
8. *Have an annual audit of records completed and an audit completed every time officers who handle money take office, particularly the treasurer*
9. *Verify wire transfers*
10. *Verify cash logs and always provide receipts along with bank deposit slips*
11. *Make bank deposits the same day or next business day*
12. *Have at least 2 people present when counting money and utilize a "Funds Received" form*
13. *Maintain timely and complete financial information at all times*
14. *Review the accounts payable, vendor, and donation lists to check for suspicious names or business*
15. *Copies of tax forms filed should be included in the Treasurer's, Secretary's, and President's records*