Renting District Facilities to the Public without Adding More Risk Exposure to the District

MASBO Fall Conference: November 15, 2019

1. **1972 - MSBAIT was established to:**

   “to provide for its members and their employees and officials various forms of insurance, including any forms of permitted group insurance, for the benefit of school districts which are members of the MSBA and to effectuate cost savings in the procurement and administration of such insurance programs.”

2. **2016 - MSBAIT introduces the:**

   MSBAIT Risk Protection Program developed by Marsh & McLennan Agency LLC and supported by multiple property, casualty and compensation insurers.

3. **2019 - MSBAIT introduces the:**

   Tenants & Users Liability Insurance Policy (TULIP) developed by Marsh & McLennan Agency LLC

While MSBAIT does not solicit, sell, or negotiate insurance products or services, it does provide resources to MSBA members to help them and their insurance agents assess members’ risk management needs and concerns.
Let's play a little game...

“Never have I ever…”

Had a non-school group ask about using a school facility…

Had concerns about the potential risk exposure to the District due to an event…

Gotten push back when I asked for an insurance certificate…

Heard complaints about the cost of acquiring event insurance…

You’re not alone…

Tenants & Users Liability Insurance Policy

Why is this needed

Cover your #$@

• If something goes wrong the school district will get pulled into it
• Without proper coverage your Package coverage could pay if it is not excluded
• Avoidance of non-school related exposures
• Duty to protect the district from financial harm
• Most individuals do not think about a 1.5M limit
• District will be named in a lawsuit
Possibly Covered by District Policy

Typically covered:
- School and District sponsored events
- Community Ed classes are included

Groups Needing Coverage
- Non-school sponsored, and/or not benefiting school district
- Any group having its own governing board, 501c3
- Alumni groups
- Scouts (usually have their own)
- Youth sports (should have their own)
- Adult pick up leagues
- Youth groups
- PTO as long as it doesn’t have its own governing board, or 501c3

Other Groups
- PTA/PTOs with independent boards
- Fundraiser groups i.e. sports using the “outside groups” procedure suggested by MSBA

Coverage is available for groups like this in a different policy to allow for regular meetings
Hazard Risk

Low
- Scout Meetings
- Dance Recitals
- Lectures
- Meetings

Medium
- Bingo
- Conventions
- Basketball
- Health Fairs
- Band Presentations

Moderate
- Cheerleading
- Filming
- Photography shots
- Swim Meets

High
- Bubble Soccer
- Carnivals (rides)
- Drones
- Inflatables
- Political Events
- Youth Outreach

Approval needed

Key Components of MSBAIT Policy

- Limits at tort caps (only option)
- Event Holder as Named Insured
- District as additional insured
- Easy access
- Better rates than individual market
- Certificate of Coverage

Ease of Use

Review your lease agreement
- Obtain written permission from the facility they wish to use. MSBA template:
  http://www.mnmsba.org/SchoolDistrictResources (password access members only)

Require Insurance coverage
- Provide a Certificate of Insurance for their event

Link to the insurance application platform here:
  www.campusconnexions.com/minnesota
Facilities Use Resources (for members):
• School District Facilities Use Form
• School District Facilities Use Rules
• Facility Use Agreement

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