

An Outline of

**THE DIOCESE OF CHARLOTTE**

**PROTECTED SELF-INSURANCE PROGRAM**

Administered by:  
Director of Diocesan Properties

**DIOCESE OF CHARLOTTE  
RISK CONTROL PROGRAM**

**GUIDELINES FOR PARISH AND SCHOOL OPERATIONS**

**PROTECTED SELF-INSURANCE PROGRAM**

**NOTE: THIS IS NOT AN INSURANCE POLICY**

The following pages are an overview of the protected self-insurance program of the Diocese of Charlotte. They are not intended to replace the policy, but only outline the program and answer some of the more frequently asked questions.

If you have any questions, please contact the Director of Diocesan Properties.

## **WHAT IS THE DIOCESAN SELF-INSURANCE PROGRAM?**

It is a comprehensive insurance plan, providing property and liability coverage, for all participating parishes, schools, Diocesan institutions, cemeteries, and agencies.

## **WHAT IS PROTECTED SELF-INSURANCE?**

It is a plan where assessments collected by the Diocese of Charlotte are used to pay the losses, to provide the necessary administrative service, and to purchase excess insurance above the self-insured retention.

Such a program demands an increased awareness of and responsibility for safety conditions, for the prompt correction of improper, hazardous, or unsafe conditions. The benefits are obvious for the continued well-being and safety of the people of the Diocese, the protection of their property, and the cost of the program.

To assist the Diocese in achieving the optimum safety conditions, Gallagher Bassett Services provides inspections and safety reports on a regular basis. This report may indicate remedial measures necessary at facilities under your control and emphasizes those safety measures of particular importance.

### **PROPERTY COVERAGE**

(subject to \$1,000 deductible, unless otherwise noted)

## **WHAT IS COVERED?**

All property owned by the Diocese of Charlotte and that of approved participating entities is included in the Diocesan Insurance Program. This includes buildings, their contents and equipment, fine arts, money, and securities. Coverage is provided on a full replacement cost basis up to an established stated value.

Claims are to be reported to Gallagher Bassett **within 30 days of the date of occurrence**. Failure to report claims within this prescribed time period can result in denial coverage.

## **LOCATION**

All locations are covered on a stated value, all-risk basis. Coverage includes cost of demolition and ordinance deficiency requirements.

## **BUILDING**

All structures owned by the Diocese are covered for replacement cost on a broad form "all-risk" basis; subject to standard insurance exclusions.

## **CONTENTS**

Coverage on contents is identical to the coverage provided for buildings. Gallagher Bassett does utilize replacement sources to help reduce the cost of items for the Diocese.

## **BURGLARY, ROBBERY, THEFT**

Protection is on all property. Securities are covered up to \$250,000 for each occurrence.

## **GLASS**

All risk coverage is provided on all glass including stain glass windows. Glass broken as a result of vandalism is to be reported on an occurrence basis. Each occurrence is subject to the deductible.

## **FINE ARTS**

Paintings, statues, and other art objects are covered on a current market value basis.

## **SACRED VESSELS**

All sacred vessels are fully covered at stated value if the vessels are the property of the parish.

## **PERSONAL PROPERTY**

Coverage includes the personal effects of Priests and Religious up to \$10,000 on or off premises. A \$500 limit of liability for money stolen from any one individual.

## **WATER DAMAGE**

All risk coverage is provided, and includes flood, hurricanes, backup of sewers, wind driven rain, overflow of streams or other bodies of water. A failure to report the claim immediately may limit coverage.

## **NEW CONSTRUCTION/BUILDER'S RISK**

All new construction is covered even if partially completed. Property of the contractor and its employees - such as tools, equipment, sheds, and machinery - is **not** covered.

**BOILER COVERAGE**  
(subject to a \$1,000 deductible)

Properties with the exposure of boilers or pressure vessels are covered. This coverage and inspection service will be provided by an independent insurance company and coordinated by the Gallagher Bassett office.

**WHAT IS NOT COVERED**

The first \$1,000 of each loss, except as previously noted. Loss claims are excluded if the loss is \$1,000 or less.

Property losses of a degenerative nature such as normal wear and tear deterioration, loss due to termites, corrosion, mechanical, or electrical breakdown.

War risk and nuclear damage.

Damage to trees, hedges, shrubbery, and lawns.

Property not owned by the Diocese.

**WORKERS' COMPENSATION COVERAGE**

All liability incurred under the Workers' Compensation Statutes of the State of North Carolina is afforded to the employees under this Program. Coverage is based on the North Carolina Statutes and all benefits are paid as prescribed by statutes.

On employment related injuries, record the date, time, and place of the injury; the nature of injury and how incurred; treatment given, if any; and whether the employee will lose time from work. Upon knowledge of a work-related injury, you should contact the Diocese Human Resources Department at (704) 370-3338.

## **LIABILITY COVERAGE**

### **PUBLIC LIABILITY**

**Civil liability** whereby the diocese, parishes, and participating agencies (The Participants) may be legally liable for property damage, bodily injury and/or personal injury (other than employees of the Participants) is covered by the program.

The following are included. The amounts of coverage for each category will vary with insurance market conditions.

- ? Incidental malpractice (i.e., counseling).
- ? Events approved by a participating parish or agency, **if such events are generally approved by the Pastoral Center**. (Certain events, even if approved, may require additional premium coverage based on statutory or other requirements.)
- ? Corporal punishment, civil liability.
- ? D&O liability.
- ? Professional liability for teaching activities and official duties.
- ? Employees while acting within the course and scope of their employment with a participating parish or agency.
- ? Priest personal liability.
- ? Volunteers involved in parish sponsored activities.

### **HOST LIABILITY (LIQUOR)**

Liquor liability is covered as defined in Statutes of the State of North Carolina. This coverage applies only to events directly sponsored by parishes or agencies participating in this program. Events conducted with the approval of the parish but not sponsored by the parish or agency require an outside special coverage policy.

## **DIOCESAN VEHICLE COVERAGE**

This coverage applies to vehicles that are titled to the Bishop of Charlotte. All automobile liability involving these vehicles is covered by this program if the Diocese, parish, institution, or agency is held legally liable for personal injury, including property damage, as a result of operating the vehicle.

## **PHYSICAL DAMAGE**

Collision coverage is provided to all covered vehicles, on an Actual Cash Value, if the vehicle is damaged in a collision with another vehicle or object. All vehicles are subject to \$1,000 deductible.

## **COMPREHENSIVE**

Coverage is provided on Actual Cash Value for all repair or replacement costs as a result of fire, theft, vandalism, glass breakage, hail, windstorm, and explosion. All losses are subject to a \$1,000 deductible.

## **STATE LAW - EVIDENCE OF INSURANCE**

The State of North Carolina requires all vehicles to carry evidence of insurance in the vehicle at all times. For participants of the Diocese's Protected Self-Insurance Program, this entails carrying a copy of the State of North Carolina, Department of Insurance "Amended Certificate of Self-Insurance".

If you need a copy for your parish or agency vehicle, please contact the Director of Diocesan Operations.

This certificate may be photocopied and **not** reissued on an annual basis.

## **DISHONESTY AND FORGERY COVERAGE**

(subject to a \$1,000 Deductible)

The insurance program provides coverage for the loss of money and securities as a result of a criminal act committed against the parish or agency by an employee. Acts covered include employee dishonesty; forgery or alterations; and theft, disappearance, and destruction.

If the parish believes an occurrence of this nature has taken place, Gallagher Bassett should be notified as quickly as possible in order to properly pursue any recovery on behalf of the parish/agency and the Diocese.

## **HOW CLAIMS ARE PROCESSED AND PAID**

Your Gallagher Bassett office will provide **all claims processing service to you.**

## **SPECIAL SITUATIONS TO BE CONSIDERED**

### **HIRED EQUIPMENT TO BE OPERATED BY OWNER OF EQUIPMENT**

Any hired buses, carnival equipment, etc., should be properly covered by liability insurance provided by the owner or contractor. **A Certificate of Insurance should be obtained** by a parish, school, institution, or agency contracting for the service. The participating parish or agency and the Bishop of Charlotte should be named in the certificate as "Additional Insured". The proper format is William G. Curiln, Bishop, Roman Catholic Diocese of Charlotte, or His Successor. Send a copy of certificates to the Office of Diocesan Properties.

### **CONTRACTORS/VENDORS WORKING ON CHURCH PROPERTY**

Contractors working on Church property **should** provide Certificate of Insurance.

Again, the Certificate of Insurance shall indicate the participating parish or agency and the Bishop of Charlotte as "Additional Insured" as previously indicated.

### **INSURANCE CERTIFICATES AND HOLD HARMLESS AGREEMENTS**

All insurance certificates should be received in advance. All outside groups including nationally chartered organizations sponsored by the Parish (i.e., Knights of Columbus) should provide a Certificate of Insurance.

When others request Certificate of Insurance from you, they may be obtained from the Director of Diocesan Properties.

### **LEASE AGREEMENTS**

Any participating parish or agency, leasing non-Diocesan property under an agreement wherein the provisions of the lease stipulate that the participating parish or agency insure the owner's property, should immediately inform the Director of Diocesan Properties.

### **HOW TO REPORT A LOSS**

All incidents should be reported to Gallagher Bassett even if no immediate claim is apparent. They may be reported at (800) 227-4837, 24 hours a day.

## **POLICE REPORT**

All theft and vandalism losses must be reported to local police authorities in addition to Gallagher Bassett and the Office of Diocesan Properties immediately.

## **NOTICE OF LITIGATION**

Knowledge or information on potential legal action should be transmitted to Vicar General/Chancery immediately. This gives the Diocese of Charlotte an opportunity to investigate the circumstances and attempt to resolve the matter by more cost effective means. In the event of a lawsuit, all papers should be forwarded to the Vicar General/Chancery with the cover letter providing as much information as possible.