

July 31, 2017

Dear PTA Officer,

The current insurance coverage will be expiring 09-01-17. Enclosed is the enrollment package for the 09-01-2017 to 09-01-2018 policy term.

- Please complete and sign the “Enrollment Application”
- Please complete and sign the “D & O Warranty” form
- Please make a check payable to The Underwriters Group in the amount of \$337.00 for the 2017-2018 policy term. This includes insurance coverage for Property, Crime, Automobile, General Liability and Directors and Officers Liability coverage.
- Please return all three items above to my attention.

Thank you for your continued business and if you have any questions, please do not hesitate to contact me.

Sincerely,

Deborah Wade, AINS, AIS, KACSR, CPIW, CTM
Account Manager
dwade@uscky.com
502-489-6239

GROUP INSURANCE PROGRAM 2017-2018

Who is covered? The Kentucky Congress of Parents and Teachers or any local PTA or PTSA duly paid and named in the policy, including their respective Officers, Directors, or Agents.

Commercial General Liability:

- Bodily Injury or Property Damage Combined Single Limit: \$1,000,000
- Aggregate Limit Per Location \$2,000,000
- Flat Charge Basis (not subject to audit or adjustment)

1. Coverage for PTA meetings and sponsored activities, including fund-raising events.
2. Policy assumes that independent contractors engaged by the Insured carry insurance of the same type with limits of \$1,000,000 or more. The Insured will obtain a Certificate of Insurance from the contractor as evidence of coverage before commencement of operations.
3. PTA will be added to the Kentucky State Congress of Parent & Teachers master policy and share their limit.

Automobiles:

- Non-Owned and Rented Each Accident: \$1,000,000

Fidelity Bond:

- Blanket Position - Elected Officers Each: \$7,500

Crime Insurance:

- Money and Securities Broad Form Inside Premises: \$2,000
Outside Premises: \$2,000

Property Coverage:

- "All Risk" Coverage \$10,000

The policy provides coverage on personal property (for its actual cash value up to a limit of \$10,000) held in the possession of an insured unit for a fund-raising sales program or other purposes.

Deductibles:

- Per Occurrence - Property or Money Losses Only \$250

Directors & Officers Liability:

It protects your officers, committee members, and volunteers from suits alleging wrongful acts in conducting the affairs of your PTA unit. PTA will be added to the State Congress policy and share their limit.

- Deductible \$1,000
- Limit: \$2,000,000 Annual Aggregate Claims Made Policy

Premium:

- Annually/Fully Earned \$337

Coverage is provided by The Cincinnati Insurance Company. Renewal effective date is 9-1-17 with a 60 Day Grace Period to pay fully earned premium. If coverage is not renewed by 11-1-17, cancellation notice will be issued. If fully earned premium is received after 11-1-17, coverage becomes effective the first of the next month (for example, if payment is received on 11-12-17, coverage will become effective 12-1-17). This is merely an outline of the coverage provided. Refer to the policy for governing details. The Kentucky PTA is the policyholder; the policy is kept by the Kentucky PTA office administrator in the State office.

MAIL APPLICATION and CHECK PAYABLE TO:

The Underwriters Group
P.O. Box 23790
Louisville, Kentucky 40223
Attn.: Deborah Wade

QUESTIONS:

Deborah Wade
Thomas Wobbe, Director
(502) 244-1343

KENTUCKY PTA GROUP INSURANCE PROGRAM

2017-2018 ENROLLMENT APPLICATION

PTA DISTRICT # _____ COUNTY _____ DATE: _____

NAME OF PTA/PTSA: _____

NAME OF SCHOOL: _____

NAME OF PTA/PTSA PRESIDENT: _____

COMPLETE ADDRESS: _____

TELEPHONE NUMBER (during day): _____

NAME OF SCHOOL STAFF TO CONTACT: _____

SCHOOL ADDRESS: _____

SCHOOL TELEPHONE NUMBER: _____

LIST POSITIONS OF ALL ELECTED OFFICERS. DO **NOT** LIST NAMES OF OFFICERS.

THIS POLICY IS ONLY AVAILABLE TO PTA/PTSAs IN GOOD STANDING WITH THE NATIONAL, KENTUCKY, DISTRICT AND COUNCIL PTA.

SIGNATURE OF PTA/PTSA PRESIDENT: _____

SIGNATURE OF PTA/PTSA TREASURER: _____

FOR INFORMATION CONTACT: Deborah Wade or Thomas Wobbe - (502) 244-1343

Make \$337 check payable to: The Underwriters Group

Mail application and check to: The Underwriters Group
P.O. Box 23790
Louisville, Kentucky 40223
Attn.: Deborah Wade

FOR OFFICE USE ONLY:

This is a PTA/PTSA in good standing.

D&O WARRANTY

(Sign and return only if D&O Coverage is requested for the first time. Renewals do not need to sign)

No fact, circumstance or situation indicating the probability of a claim or action against which indemnification would be afforded by the proposed insurance is now known by any person(s) or entity(ies) proposed for this insurance other than that which is discussed in the proposal. It is agreed by all concerned that if there be knowledge of any such fact, circumstance, or situation, any claim subsequently emanating therefrom shall be excluded from coverage under the proposed insurance.

The undersigned authorized agent of the person(s) and entity(ies) proposed for this insurance for the purpose of this proposal warrants that to the best of his knowledge the statements herein are true, and it is agreed that this proposal shall be the basis of the contract and be deemed incorporated therein should the insurer evidence its acceptance of this proposal by issuance of a policy. This proposal will be attached to and will become part of such policy, if issued.

The Cincinnati Insurance Company is hereby authorized to make any investigation and inquiry in connection with this proposal as it deems necessary.

The undersigned authorizes the release of claim information from any prior insurer to The Cincinnati Insurance Company.

PLEASE REVIEW CAREFULLY. Except to such extent as may be otherwise in the policy, the policy for which this proposal is being made is limited for ONLY CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED WHILE THE POLICY IS IN FORCE.

Signed: _____
(must be signed by the Chairman of the Board or President)

Please print Name

Title: _____

Date: _____

Name of the PTA/PTSA

KENTUCKY PTA INSURANCE PROGRAM

Non-Profit Organization Directors and Officers Liability

Who is Covered?

The Named Organization, duly elected Directors, duly elected or appointed Officers, employees or committee members acting at the direction of the Board of Directors on behalf of the Named Organization in a voluntary capacity.

Spousal Liability coverage is also provided in the event a claimant names a spouse solely by reason of their status as spouse or such spouse's ownership interest in property the claimant seeks as recovery.

Directors & Officers Liability covers the wrongful acts, errors or omissions of the Directors and Officers of the Association in their capacity as such. An example of this may be failure to set up and maintain adequate financial accounting procedures, which results in bankruptcy or loss of your non-profit status.

As many local units are incorporating, this coverage is being offered to the opportunity to be added to the State Association policy.

Local Units Limit: \$2,000,000 aggregate each policy year.
This is a single shared limit between the State Organization and all participating local units.

Deductible: \$1,000

Insurer: The Cincinnati Insurance Company

This is merely an outline of the coverage provided. Refer to the policy for governing details. The Kentucky Congress of Parents and Teachers is the policyholder. The office administrator keeps the policy in the State office.

To enroll, complete the Enrollment Form and mail it in with your check.

If you need a copy of the Enrollment Form you can call the State office or call The Underwriters Group at (502)244-1343 and ask for Deborah Wade.

RECOMMENDATIONS FOR PROTECTING YOUR CASH AND OTHER ASSETS

1. Only elected officers of the PTA should receive funds from the general membership or other officers.
2. Officers receiving funds should be furnished with a pre-numbered triplicate receipt book from which a receipt should be issued for each transaction.
 - a. Clearly identify the source of the funds;
 - b. One copy of each receipt to be furnished to the PTA President;
 - c. One copy of the receipt to be given to the party from whom the money is received;
 - d. The final copy will remain in the receipt book of the issuing officer.
3. The checking account should be set up to require dual signatures (President and Treasurer) for checks over a particular limit - \$100 or more. Never sign blank checks.
4. Require that bank statements be reconciled by someone not authorized to write checks on the account.
5. Require the Treasurer to present a monthly financial report to include the reconciliation of the previous month's bank statement.
6. The unit President should satisfy themselves as to the accuracy of the Treasurer's report and recognize that any failure to provide such reports should be a cause for concern.
7. Officers or members making purchases on behalf of the PTA should pay for the items themselves and present a sales receipt or invoice which includes the description and cost of the item involved. Reimbursement should be made by check from the PTA account.
8. Use discretion in the selection of sponsored activities; avoid those that are more likely to cause accidents or injury.
9. When independent contractors or businesses are involved, be sure to obtain the appropriate evidence of liability and workers' compensation insurance before the scheduled event.
10. The use of a permission and release form (sample attached) is recommended for events held away from school premises. Although of no legal effect, these forms can favorably impact your potential exposure.
11. Online banking:

WHAT TO DO WHEN MONEY IS MISSING

Fidelity Claims Procedure

1. Report incident to District Treasurer and State Treasurer

Treat the matter as confidential and only discuss it with those who have a need to know about the situation such as your accountant, the local district and state PTA Officers. Remember, you are dealing with people's reputations. You do not want to be accused of libel, slander or defaming anyone with false accusations. Use your good judgment and gather the facts.

2. Check to see if the Unit purchased insurance from the State Program.
3. If so, notify:

The Underwriters Group, Inc. (Insurance Agent)
P.O. Box 23790
Louisville, Kentucky 40223-0790
Phone: (502) 244-1343
Fax: (502) 244-1411
Email: Commercialclaims@uscky.com

The Agency will then file a notice of potential claim with the Insurance Company.

4. An audit will need to be performed to document any improper activity and/or missing funds. Coordinate this with the District and State Treasurer.
5. In the event funds are confirmed missing, a sworn Proof of Loss statement must be signed and submitted within 120 days of discovery of the loss. The Insurance Company will review this and adjust the claim.

The case will then be sent to the Commonwealth Attorney for prosecution. This is the law and PTA policy. This helps serve as a strong deterrent for misuse of PTA funds.