

Sorority Insights | Spring 2024

A RESOURCE FOR HOUSE CORPORATIONS, STAFF & VOLUNTEERS

CONFERENCE SAFETY PLANNING

Are you planning a Convention or other large conference? Here is what you need to know

Dr. Lori Hart, Director of Educational Initiatives

This resource is intended to help you think through prevention and emergency planning for large group gatherings (e.g. conventions, leadership schools, etc.). From accidents, to medical emergencies to weather issues, there should be a designated staff/volunteer who is focused on risk assessment and working with the staff onsite to analyze risks and understand the protocol and procedures utilized by the venue.

Ideally, the organization should create an emergency plan that is a living document updated and adapted to changing circumstances and provides protocols, procedures and a division of responsibilities in emergency response. For each event the designated staff/volunteer should spend time to understand the emergency plan of the venue.

RISKS TO CONSIDER

- Natural hazards like floods, hurricanes, tornadoes and earthquakes.
- Health hazards such as widespread and serious illnesses like the flu.
- Human-caused hazards including accidents, over consumption and acts of violence.
- Technology-related hazards like power outages and equipment failure.

For each hazard there are many possible scenarios that could unfold depending on timing, magnitude and location. While you can't plan for all risks, if there has been a pattern from past events (hospital transports, illness, weather, etc.) time should be spent on those specific areas to develop an emergency plan and be ready to take action.



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IN CASE OF A CRISIS, CALL 911 IMMEDIATELY

In being PREPARED, you will be ready to RESPOND

- Hosts and designated staff/volunteers should all have emergency contact information of who to contact after a call to 911
- Staff should be trained by the venue on emergency protocol and plans
- Staff should have a means to communicate to all attendees (email, GroupMe, text, etc.)
- Evacuation plans should be reviewed, displayed/communicated to attendees
- Designated persons in the event of an emergency should be identified to help guide attendees to designated safe locations
- At the time of registration or check-in, have participants provide emergency contact information.
- Have the local addresses and phone numbers for nearby hospitals, urgent care, and pharmacies
- Know which county the venue is in if you need to follow broadcast weather reports
- Have a plan in place for staff when there is a medical emergency (ex. If there is a hospital transport, which staff member goes?)
- Understand from the venue/local hosts what could be suspicious activity based on area of the country, state, laws, etc.

Resource: <https://www.ready.gov/business/implementation/emergency>

RECOMMENDATIONS WHEN UTILIZING INDEPENDENT CONTRACTORS: What you need to know

Rich Jungman, Fraternal Practice Leader

It is very common for house corporations to utilize the services of a variety of Independent Contractors. Examples of Independent Contractors you may utilize includes food service providers, security firms, lawn service providers, caterers, cleaning service providers and construction and trade contractors. It is important that when hiring an Independent Contractor that there is a contract in place that outlines the scope and responsibilities of the Independent Contractor and mandates other requirements such as insurance and indemnification.

When entering into agreements with Independent Contractors, it is very important to be wary of the terms and conditions associated with these contracts. It is not unusual for the terms and conditions of a contract to be very one-sided and to favor the party which you have contracted with to provide the service or complete the work. This makes it essential that you take the time to review the contracts and make changes to the terms and conditions as is necessary to protect your house corporation. We have provided the checklist below to assist you in selecting and ultimately agreeing on the terms of contracts with independent contractors.



- Is the contract executed in the name of the house corporation and not the Inter/National organization?
- Have you examined the Independent Contractors history with your local Better Business Bureau?
- Have you obtained references for the Independent Contractor?
- Is the Independent Contractor licensed and bonded?



RECOMMENDATIONS WHEN UTILIZING INDEPENDENT CONTRACTORS

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- Confirm the Independent Contractor has the necessary insurance coverage in place. Insurance requirements that they will need to meet include the following:
 - General Liability
 - \$1,000,000 per occurrence for Bodily Injury and Property Damage
 - \$1,000,000 per occurrence for Personal and Advertising Injury
 - \$1,000,000 per occurrence for Products/Completed Operations
 - \$2,000,000 annual aggregate including Products/Completed Operations
 - The house corporation should be named as an Additional Insured
 - Includes contractual liability
 - Waiver of Subrogation in favor of the house corporation
 - Commercial Auto
 - \$1,000,000 Combine Single Limit for Bodily Injury and Property Damage
 - Coverage for owned, non-owned and hired autos
 - Waiver of subrogation in favor of the house corporation
 - Workers Compensation
 - \$500,000/\$500,000/\$500,000 for Employer Liability
 - Waiver of Subrogation in favor of the house corporation

The requirements outlined above should be shown in a Certificate of Insurance that clearly documents the required limits, waiver of subrogation applies where applicable and confirms your house corporation has been named as an Additional Insured. We have enclosed a sample Certificate of Insurance you can use as a reference.

- Does the contract outline clear deadlines and consequences for failing to meet those deadlines?
- Has an attorney reviewed the contract?

In addition to this checklist, there are several provisions that should not be a part of your contract:

- Be aware of indemnity provisions of the contract that hold the Independent Contractor harmless for any and all losses as well as defense cost if a claim arises resulting from their operations.
- Do not agree to terms of a contract that require that the Independent Contractor be added as an Additional Insured on the property owner's General Liability policy.
- Do not agree to a contract that limits the liability of the Independent Contractor to the amount of the contracted work.

Failure to follow these steps can be costly and have implications regarding your rights under a liability insurance policy. Many General Liability policies are endorsed making meeting these requirements, specifically the insurance requirements, a condition of coverage for claims involving Independent Contractor.

When a significant loss occurs, it is likely that all pertinent parties could be pulled into be named as a defendant. Although this remains a possibility, by following the recommendations outlined above, your house corporation will be in the best possible position to deal with this situation, potentially being released from the claim or suit that is brought against you for damages resulting from the negligence of the hired vendor.

[CHECK OUT OUR CONTRACTS CHECKLIST HERE](#)



SUMMER BREAK PREPARATION

Summer break, or the months of May through August, is a high-risk time for chapter houses. It is important you take the time to properly prepare your chapter house for the summer break period.

The leading risks to a chapter facility during the summer break period are:

- Fire
- Vandalism
- Theft
- Water damage
- Wind
- Hail



Fraternity Insurance Claim Facts

If you take a look at the loss history of fraternity property claims, it is easy to see why summer break preparation can make a big difference. Here are the simple facts:

Each year, fire has been the leading risk factor with the majority of the serious fires occurring during summer break. In our recent claim study, 76% of all claim dollars were paid as a result of fire damage. **The average expense from a fire loss is nearly \$400,000.** In all the fires, the common denominator was human error and lack of leadership within the chapter.

- Water damage represents 38% of the number of claims filed. This problem, if unchecked, can lead to a large loss. **The average expense from a water damage loss is more than \$14,000**
- Vandalism is also a significant cause of truly preventable losses. **Damage as a consequence of vandals entering an unsecured chapter facility has resulted in over \$700,000 paid in damage.**

What can you do to avoid these types of losses?

Only two perils on the list are truly unavoidable, that being wind and hail. However, the risks and resulting claims from wind and hail often occur to the roof and structure of the facility, emphasizing the need to have the facility inspected by a professional on a regular basis to assure it is structurally sound and current damage is repaired.

Most incidents involving water damage could have been minimal if someone had taken the time to prepare the house for break. The plumbing issues creating damage often went unchecked for days, weeks and even months. As a result, what would have been a few hundred dollars in clean up and a small plumbing repair turned into a costly claim.

Avoiding a claim can make a significant difference in the cost of property insurance and ability to provide a safe and healthy environment for undergraduate members. Use the [Summer Break Checklist](#) to help minimize your exposure to a property claim.

 @HolmesMurphyFraternalPractice

 @HolmesMurphyFS

 @HolmesMurphyFS

