**Backgrounder: Insurance for Washington Evaluators**

***Prepared by Josh Joseph, Treasurer***

**Overview of insurance exploration.** Over the past several months I’ve spoken to a half-dozen insurance agents to explore coverage options for WE. Of those, I narrowed the field to two agents—both of whom were open to/interested in understanding WE’s specific insurance needs—and requested formal insurance quotes from them.  After receiving the quotes, talking further with the agents about policy details and costs, and also researching the insurance carriers/underwriters, my sense was that only one could fully meet WE’s needs and was worth the Board’s consideration.  Below I’ve summarized the coverages that I am recommending, the annual costs, and several additional ways in which the proposed insurance carrier can support WE’s needs.

**Summary of proposed insurance coverage.**  I recommend (3) types of insurance coverage for WE—*general liability*, *social services & professional liability*, and *directors and officers insurance*.  The annual premium/cost for this package of insurance coverage would be $1,950. The breakdown is provided below:

* ***General Liability Insurance***.  This is what the industry calls “slip and fall” insurance.  The coverage protects against bodily injury and property damage (e.g., if someone gets hurt or causes damage at a WE event, etc.)  It is the *foundational* coverage that every organization is *required* to have before they can obtain further insurance coverage for additional needs.
* Quoted cost for annual coverage: $650
* ***Social Services and Professional Liability Coverage***. This insurance would cover WE for acts, errors, or omissions committed in the performance of professional services by its Board and volunteers.  The coverage would specifically help to shield WE from liability in the event of a suit related to/arising from the pro-bono services we provide to non-profits through the EWB program.
* Quoted cost for annual coverage: $700
* ***Directors & Officers Insurance***.  This coverage protects the Board (as well as other WE volunteers) against claims related to wrongful acts, breach of contract, neglect of responsibility, and other errors/omissions involving our fiduciary responsibilities, potential malfeasance, and related monetary damages that could result.
* Quoted cost for annual coverage: $600

**About the insurance underwriter (Alliance for Nonprofit Insurance).**   The Alliance for Nonprofit Insurance (ANI) is a nonprofit that was launched in California about 30 years ago and then expanded nationally in the early 2000’s with the support of funders like the Gates and Packard foundations.  ANI tends to understand and offer nonprofits more targeted coverages than do many commercial insurers and it now insures some 20,000 nonprofits nationally. Additionally, they provide a range of supporting materials to members free of charge, which dovetails with the aim of reducing risk (e.g., policies & procedures that members can adapt to their own needs, such as those related to *conflict of interest*).  If you’re interested in a quick look, the ANI Website is [here](https://nam10.safelinks.protection.outlook.com/?url=https%3A%2F%2Finsurancefornonprofits.org%2F&data=02%7C01%7Cbtahmassebi%40encompassworld.com%7C2122491ea50d4ded57ad08d83fa2b213%7C718c01f4a4014beba49120cc3e2736a3%7C1%7C0%7C637329315311735167&sdata=ZAp1sBXLPilkZ%2FhKpQHoSoMDXmgig6u7q9K00Hd2%2BKc%3D&reserved=0) and a bit of their history & mission can be found [here](https://nam10.safelinks.protection.outlook.com/?url=https%3A%2F%2Finsurancefornonprofits.org%2Fabout%2Fmission-history%2F&data=02%7C01%7Cbtahmassebi%40encompassworld.com%7C2122491ea50d4ded57ad08d83fa2b213%7C718c01f4a4014beba49120cc3e2736a3%7C1%7C0%7C637329315311735167&sdata=mMX9clqyL00NZZiqnY4CbkJMhulWIaXmq20nrd7CRfY%3D&reserved=0).