

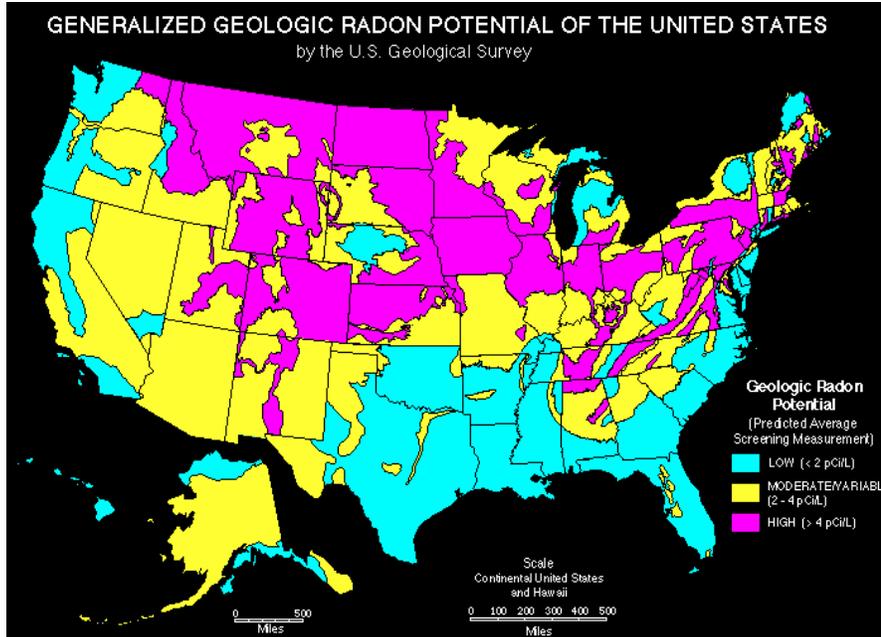
Do you know enough about Radon?

Recently we heard from Rev. Wendy Schindler-Chasney of St. John's UCC in Milan, Erie County, Ohio, regarding an extraordinary experience with radon gas in her church and parsonage. Though this kind of exposure is not addressed by insurance, it is a stark reminder of

insidious influences on our life and our health.

Radon is a radioactive gas caused by the decay of uranium in the earth's crust. It is everywhere. Standing outside, a person's exposure is probably around a 1.7 pCi/liter (picocuries of radon per liter of air). The age of a building does not determine a higher/lower risk for radon. In fact, at St. John's the highest ratings were in the newest part of the structure.

The average radon level in Erie County is a 3 pCi/L. The EPA recommends facilities being below a 4 pCi/L. When Wendy and her husband moved to Milan 18 years ago, they inquired about the radon levels in the parsonage and were informed that radon was not a problem in Erie County, so they didn't worry about it. After living in the parsonage for 12 years, following the deaths of Peter Jen-



nings and Dana Reeves from lung cancer, they thought it would be a good idea to do a radon test. "Radon is the second leading cause of lung cancer in the U.S. and is associated with 15-22,000 deaths each year." (National Cancer Institute) Per the Surgeon General, it is the leading cause of death for non-smokers. Illness will likely not occur until 15-20 years after exposure. Radon may be 55-60% of a person's lifetime radiation exposure.

Radon tests can be purchased at home improvement stores, and some county offices give away free tests. The test done at the St. John's parsonage, later confirmed by a professional test, came back at 273 pCi/L, which is 2 1/2 times evacuation level according to the EPA! To help put this in perspective, the damage to your lungs would be like smoking 4 packs of cigarettes a day.

Given the high exposure, they had a mitigation company install a unit to test continuously (\$700) as well as abate the hazard. Mitigation is not difficult; it involves putting a tap in the foundation floor and hooking it to an exhaust fan to the outside. This changes the pressure in the building preventing the radon from coming up through the

ground. The cost for residential abatement is \$850-\$1500. The exposure in the parsonage has been reduced to a fairly consistent 1.7 pCi/L.

However, the problem was not confined to the parsonage. Six years later testing confirmed exposures of 36-40 pCi/L in nursery and office spaces, equivalent to 1 -1/2 packs of cigarettes daily or 1,000 CT scans. Additional mitigation was required.

Because churches and residences are bought and sold, it would be prudent to consider radon risk and mitigation costs before sale or purchase.

Claims Corner

Carl Kotheimer, Director Loss Control & Claims	216.736.3244
Joe Boyd, Manager Claims Administration	216.736.3251
Alison Hanna, Claims Analyst	216.736.3250
Mark Zimmerman, Claims Analyst	216.736.3276
You May File A Claim On-Line	www.insuranceboard.org

Made You Look!

Remember the childish prank by which you prompted someone to respond in panic to a made-up emergency? When the victim responded, you taunted them with “Made you look!” (More than once I used large quantities of ketchup to make my mother believe I had cut my hand.)

Because our Insurance Board e-mail is a business account with lots of security on it, the spam filters rake out quite a volume of nasty stuff. We are given the opportunity to cull through it and decide what is “real”. Recently I have seen a big increase in a new tactic of thieves to get into our computers. It’s called “spoofing”.

For example, I will see an e-mail from accounting@insuranceboard.org which I know to be a fake address. I don’t open them. Then there are the ones from addresses such as reply@irs.gov, suggesting I haven’t paid my taxes. I delete them promptly and never open them.

These communications prey on our curiosity or our hurried tempo. They do so by “spoofing” addresses that look familiar enough that we open them, but beware the “Trojan horse.”

Cyber-crime has reached the level that we have

received claims for such events. They are covered under the “crime” part of your IB package. The policy will cover the loss resulting from “computer fraud.” The IB program also provides coverage for “security & privacy liability” that might arise from a computer security breach.

This past summer, a church in Iowa (not an IB church), fell victim to a cyber crime that depleted the church of \$680,000!

Besides basic financial controls, your church should add controls to lessen the likelihood it will be victimized through the internet.

Verne Hargrave, who presented "Fraud in the Church: High-Tech Style," at the National Association of Church Business Administration's annual conference in Washington, D.C. offered these tips for avoiding an attack like the one in Iowa:

- **Dedicate a stand-alone computer for electronic banking.** It should not be used



for anyone’s personal use at any time! Limit its online activity to banking only, and keep its antivirus and firewall protection updated.

- **Limit administrative rights.** Only those with specific authority for financial activity should have access.
- **Change passwords.** These need to be changed regularly, and preferably with a combination of upper- and lower-case letters, and one numeral and one symbol.
- **Don’t e-mail files.** Use secure connections for any electronic file transfers.

In a few words, take security seriously, however inconvenient you may feel it is. If you are a member of your church board, ask questions about computer security – it’s part of your fiduciary responsibility.

Church Tenants, What About AA?

Because we answer a lot of questions about relationships with church tenants, we were pleased to have tremendous turnout for our recent webinar: “Church Tenants – Sharing Your Church and Managing Risk”. We routinely recommend that churches have a formal “use agreement” or lease with tenants that include an indemnity agreement and insurance requirements. For long term tenants and those having a corporate quality, such as Weight Watchers, we recommend even higher standards.

Then comes the question: What about AA? On reflection, the particular characteristics of Alcoholics Anonymous is that its participants are anonymous. It begs the questions: Who is in charge? Who is the responsible party? Can a business entity, your church, have a relationship with a “ghost?”

We conducted some research, beginning with the national organization, to figure out “What is AA?” and how does a church establish a contractual relationship. While there is a national organization which provides guidance, there is no hierarchical relationship to local meeting groups. The national organization goes only as far as saying that AA is a “fellowship organization.” At the local level, there is no formal structure to groups. There is no leadership. The group really has no identity except who is present day by day – all of whom are anonymous!

Our conclusion is, we should respect the ministry of AA. If our concern is that AA participants might lodge a claim against a church as a result of an injury, then our concern is reduced by knowledge that the person would have to reveal his/her identity and possibly that of others in order to present a claim. This is a reasonable *quid pro quo* – “something for something”.

You may view the webinar: “Church Tenants – Sharing Your Church and Managing Risk” at <https://insuranceboard.ilinc.com> On the Public Sessions page, click on the Join tab. Then scroll down to the session and click on Open.

Lessons From Happy Valley

Anyone who is a college football fan is familiar with the term “Happy Valley,” formally known as State College, Pa, AKA the home of Penn State University.

Recently, Happy Valley has been in the news. It is the location of a child sexual abuse scandal like few we have ever seen, one which has permanently damaged a child-serving organization, the reputation of a legendary football coach and a Big Ten university. As one processes the many circumstances and facts revealed during the ongoing investigation, we realize there are many lessons to be learned.

Lesson #1: It can happen to you, in your town, in your congregation. State College is a small town where everybody knows everybody and many are related. While many think of “strangers”—stranger danger-- in matters of sexual abuse, in 90% of cases, the victims knew their attackers as relatives or regular contacts.

Lesson #2: Persons who had direct contact with the accused described him as “clingy.” Many were uncomfortable over a period of time with the kind of touching that occurred. While these displays may not have constituted “abuse,” they are “boundary testing,” a progressive process of grooming, starting with a head pat, then a hug, and so on, all the while judging the reaction. Adequate procedures and training on this subject let staff and volunteers know which are appropriate types of affection, and which are crossing boundaries.

A note from our Indiana Agent, Jim Jensen:

We’ve had discussions a few times over the last year or two about media liability and how it applies to broadcasting and internet streaming. We’ve recommended to our churches they remove songs and anthems from recordings before posting podcasts or recordings to websites.

Well, CCLI, The Church Copyright License, Inc. has addressed this issue and now offers rights to stream or post the music in worship services. Note that this only applies to songs covered by CCLI. The costs are very reasonable, too.

Resources:

www.ccli.com/WhatWeOffer

www.streaming.ccli.com

www.ccli.com/WorshipCorner/Article.aspx?ContentId=85655a22-01dd-4a2e-938e-a452910b1915

Lesson #3: Investigators have reported that the accused had children at his home, at Penn State facilities and sometimes even traveled with children. Predators require (a) access, (b) privacy and (c) control. The accused had access to children through the organization he established, and the off-site excursions provided the needed privacy.

While by no means the only necessary boundary, the “two adult” rule, which every organization should follow, appears to have been either not established or not enforced. Every organization should have rules regarding out-of-program contact with children, including social media.

Lesson #4: Reports indicate that the accused gave gifts to children which included unusual access to people and places. By providing gifts and special privileges, the accused was able to perfect the third need – control. Good safe church policies will include rules about gift-giving. Control may be obtained through “secrets,” which may include special gifts nobody can know about, or by allowing behaviors that might be punished if revealed – smoking, drinking, naked swimming, viewing pornography, and so on.

Lesson #5: The Pennsylvania “mandatory reporter” statute has been described as being vague or inadequate. The Pennsylvania statute uses phrases such as “shall report or cause a report to be made” and “shall notify the person in charge ... or the designated agent of the person in charge.” The consequence of this wording is what can be de-



scribed as the “dilution effect” - a story is passed around through several people only to get distorted in the process.

In this case, it appears that the report of what a person had witnessed was diluted from a “sexual assault” to “some sort of inappropriate behavior.” Your safe church policy must provide a direct channel (and alternative channels) for reporting for whoever is a “mandatory reporter” in your state. In many states, the mandatory reporter is the caregiver and they are told – don’t rely on the boss; go directly to the police. Of course, staff must be trained to know when this is their direct legal responsibility.

Regardless of the outcome, all of the circumstances surrounding the case are ones which could have been controlled better. Acts could have been prevented. Reputations could have been guarded by setting explicit standards.

Because perception is reality in matters of abuse, a high standard of care is necessary.

Every UCC, Disciples of Christ and PCUSA church and camp served by the Insurance Board, whether insured by the Insurance Board or not, now has access to a confidential on-line self-assessment tool.

It is a thorough examination of your church’s policies and procedures. It will be eye-opening, and it’s free!

Visit the Praesidium Self-Assessment at www.InsuranceBoard.org.

Go to Safety Solutions, then the SafeConduct™ Workbench. With a cup of coffee and a copy of your church’s current policies in hand, sit down for a frank assessment.

Lessons from a Loss: Copyright Violations for the Church

Texting, tweeting, YouTube, Facebook and the internet are the “new norm” for families who are active, mobile, and often worlds apart. For many churches, the use of the internet and social media is becoming the norm to inform congregants and capture prospective members.

While the dangers of social media are well-known with respect to predators and financial scams, less heard about are the risks around “intellectual property” to include music, art and literature. While there is a “religious service exemption” for copyrighted materials, the use of the material outside the sanctuary is not cov-

ered, in particular, transferring material to web pages. Here is what happened.

A lady wrote a poem. It became a hit, especially in funerals and memorial services. She created an internet business around the poem and added related writings and products. It is quite alright to quote the poem as part of a religious service. However, some churches published the poem on their websites. After the Insurance Board received two claims from the author regarding said poem, an investigation has determined that she employs staff to find and enforce copyright violations, and demand compensation. She is

entitled to enforce her copyright.

Recently a pastor asked about putting sermons on YouTube. She explained that her sermons commonly contain quotations of others’ copyrighted materials and musical performances. While we support the use of social media to further the interests of the church and its ministries, we have advised her to purge them of copyrighted material in the authorship phase if she wishes to post them on-line.

If sermons are to have a life past the sanctuary they must be e-Ready! e-Safe! e-Legal!

Lessons from a Loss: Delayed Reporting Voids Coverage

When a church first realizes it has suffered an embezzlement, a difficult time follows. The guilty party is likely someone the church trusted, so church leadership will be dealing with the surprise and disappointment, then embarrassment and perhaps a little anger.

This may be followed by some negotiations about recovering the loss from the perpetrator. More often, the person is not able to repay. Or when the theft is admitted, the amount is a great deal less than the records show. All the while, there is reluctance to notify the police and have it made public. Meanwhile, the clock is ticking.

Thirty days pass, sixty. Nobody has notified the insurance company.

Every “crime insurance” policy, contains a clause called “Duties in the Event of Loss.” Duties will differ slightly amongst policies but most are the same as the Insurance Board program. You must do the follow:

- Report the loss to the police;
- Notify the insurance company ASAP;
- Cooperate with investigation and settlement; and
- Give detailed, sworn proof of the loss amount within 120 days after you discover

it or a situation which may result in a loss.

Failure to do any of these things may result in a loss of coverage. **And, the time limit for presenting a documented claim is critical.**

Recently we have experienced claims from over \$500,000 to \$1,000,000. The insurer will employ a forensic accountant to help prove the loss. If the trail goes cold, if documents are missing, proving the loss will be difficult.

Much of this will be less likely if your church conducts an annual independent audit and has adequate financial controls and separation of duties around deposits, bank statements, credit cards, purchases and electronic payments.

Collapse Danger, Weight of Snow and Ice

Finally we are past 2011, one of the worst disaster years the global insurance industry has ever experienced. Tsunamis, earthquakes, floods, tornadoes and snow storms have taken a huge toll. One important loss last year was the complete collapse of the education wing of a New England church. A meeting had been scheduled in the space at the time it collapsed. Thankfully, the pastor had cancelled the meeting due to the serious snow storm that was ongoing.

The chemistry of this loss was heavy snow and a flat roof. While flat or low pitch roof construction is suitable for southern climates, they were never a good idea in northern climates. Historically, there is a reason northern European architecture features steep roofs – not just decoration. Flat roofs are especially dangerous where snow may drift and accumulate, usually downwind of a higher roof, in amounts much deeper and heavier than on the ground.

Because we have been in a cycle of severe weather events, associated heavy snow falls may be common. If you see unusual drifting, you have a flat roof over part of your church facilities, and drifting may occur on the roof, you must consider taking steps to reduce the snow load. Inside, you should watch for any distortion or deflection of drop ceiling framework or panels or cracking of ceiling plaster. If snow removal is warranted, we recommend you contact a commercial roofing contractor rather than employ volunteers on a snow and ice covered roof.

The Steward is the joint effort of:

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The Insurance Board is a non-profit property and casualty insurance program serving the United Church of Christ, the Disciples of Christ (Christian Church), and Presbyterian Church (USA).