



**CSAC Excess Insurance Authority
Policy Statement on Covering Non-Profit Entities
Pursuant to JPA Article 3(c)**

1. **Purpose.** The purpose of this policy statement is to define parameters in which nonprofit entities may be added to a member's coverage pursuant to Article 3(c) of the Joint Powers Agreement.
2. **Delegation of Authority.** The Underwriting Committee is delegated authority to add nonprofit entities pursuant to the conditions contained herein as it relates to the Excess Workers' Compensation Program and Excess Liability Programs. As respects Primary Workers' Compensation, Primary Liability, General Liability 2, Medical Malpractice, and Property programs, the corresponding governing committee is delegated authority to add nonprofit entities pursuant to the conditions contained herein. This authority shall not be further delegated to staff.
3. **Benefit of the Member Condition.** For all programs, except Property, the non-profit must exist, as its main purpose, for the benefit of the member (or the member of a member) or for the benefit of the member in combination with other public agencies. For Property, the "benefit of the member" condition may be satisfied, or the member need only show that the member has an insurable interest. When the member is a Joint Powers Authority (JPA), this condition may be satisfied if the JPA's agreement allows for membership of non-profit entities.
4. **General Conditions.** For all programs, the following criteria must also be satisfied:
 - There must be a completed application, with signature, including a member's Governing Board Resolution or Minute Order.
 - There must be a determination that this is an acceptable risk (no unique or unusual exposure).
 - The member must be aware and willing to accept the responsibility for the SIR/deductible, the premium payment, and to act as a liaison between the member and the non-profit, regarding risk management and loss prevention problems/questions.
 - The member must gather the renewal information and provide/include that information with the EIA application.
 - The member will accept responsibility for providing appropriate loss prevention services for the non-profit, either in-house or by contract.
 - A written agreement is required between the member and the non-profit.
5. **Effective Date.** This policy statement will become effective upon adoption by the Executive Committee and amendment of Article 3 of the EIA Joint Powers Agreement allowing nonprofit entities to be covered.