

**LOUISIANA
DEPARTMENT OF
INSURANCE**

Managing Risk for Your Place of Worship

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Operating a place of worship involves many risks and therefore exposure to financial loss. Insurance can help cover potential losses and protect you and your property as well as your congregation and employees from a variety of financial risks. Consult a licensed agent to make sure you have the right insurance products to fit your needs.

Today's society no longer considers the "Doctrine of Charitable Immunity," and lawsuits against churches are filed regularly. In other words, you don't have to be at fault to be sued. Defending yourself and the church in court can be expensive.

How to Limit Risk

Implement a risk management program of internal policies and procedures that may prevent or reduce the possibility of loss and limit the amount of loss.

Purchase the appropriate insurance policies and endorsements to provide protection against risk exposures.

What is Risk Management?

- Process of identifying potential risks
- Analyzing and evaluating those risks with regard to economic loss
- Determining alternatives in controlling and reducing risks
- Implementing strategies for risk avoidance, loss control, risk retention, risk transfer or non-insurance risk transfer

Risk Management Tips

- Inspect your property both inside and outside to make sure it is free of obstacles or anything that could cause someone to trip and fall.
- Make sure property is free of any falling objects (particularly during construction or renovation).
- Properly store hazardous materials and flammables.
- Place warning signs in areas where potential hazards exist until the hazard is eliminated.
- Inspect the parking lot to make sure the area is free of anything that can damage vehicles or injure individuals.
- Make sure the church parking lot is well lit to prevent against auto burglary/theft and attacks or assaults on members and guests.
- Ask local law enforcement about security for late night events.
- Make sure personal and church vehicles are well maintained and in proper working condition before heading out on a trip.
- Make sure insurance documentation is in the vehicle.



Make sure your insurance agent is properly licensed.

Invite your agent to visit the place of worship to better assess your potential risk exposure and properly advise you on your coverage needs. You and your agent should read through the policy together to make sure you understand it, including exclusions, deductibles and how a potential loss will be handled. Consult your agent before filing a claim, and review your coverage periodically.

The right insurance coverage can reduce or protect your church and its members from exposure to financial risks. It can also provide compensation for members, employees, volunteers, guests, vendors and contractors that may have been injured. When choosing coverage, you'll need to calculate the costs of rebuilding or repairing your church and replacing contents. Additionally, consider all activities of the church, including travel, camps, etc.

Types of Products & Coverages

General Liability Insurance — Covers liability exposure relative to owned or leased property and provides coverage for incidents related to operations. Be sure this policy covers the actions of employees, volunteers and vendors working with or on behalf of the church.

Commercial Property Insurance — Provides coverage for damage to the structure and contents of the property. Typically these policies do not cover flood.

Flood Insurance — A separate policy that provides coverage for damage to property and contents caused by rising water.

Builders Risk — Protects the interests of building owner, contractor or subcontractors. Covers new construction, major renovations and repairs based on completed value; also covers damage and theft of certain materials and property.

Commercial Auto Insurance — Covers damages to vehicles owned by the place of worship, as well as liability protection and coverage for employees and volunteers operating the vehicles.

Non-Owned and Hired Auto Liability Insurance

— Provides liability coverage for personal and rented vehicles used for church business.

Event Insurance — Provides liability coverage for church-sponsored events like fairs, festivals, concerts, conferences or community outreach programs, including coverage for injuries and accidents during the event and event cancellation or postponement.

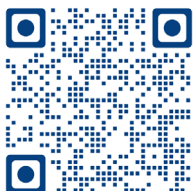
Employment Practices Liability — Provides liability protection for defense costs and damages related to employment-related claims, such as wrongful termination, discrimination, workplace harassment and retaliation.

Sexual Misconduct/Abuse — Provides liability coverage for claims related to sexual misconduct, molestation, assault, or abuse; may cover legal defense costs, settlements, and judgments for claims committed by church employees, volunteers, or representatives.

Umbrella Insurance — In conjunction with other liability policies, provides liability coverage over and beyond primary policy limits.

Additional coverages & endorsements:

- Business interruption/extra expense
- Peril specific or multi-peril (fire, wind & hail, burglary and vandalism)
- Workers' compensation
- Stained glass & steeple
- Directors & officer liability
- Pastoral counseling
- Sexual abuse/misconduct
- Terrorism



QUESTIONS? Contact us:

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Rev. 04/2025