PTO & Booster Club Insurance

PTOs and Booster Clubs, their officers and members need Liability insurance.

Texas Tort Claim Act

This Act is the basis for school districts' immunity from liability, except automobile (101.051). Many districts carry General Liability insurance, primarily to pay for defense costs. The Act does not extend immunity to support organizations such as PTO's, PTA's or booster clubs, unless they are under the direct control of the District.

General Liability Insurance

The District's insurance may provide Bodily Injury, Property Damage and Personal Injury (libel, slander, false arrest) coverage for the organizations and the volunteers individually, but only if the organization is included within the definition of Named Insured, Covered Entity or Covered Person. It is interpreted by some insurance companies that meetings, fundraisers, etc. which are not under the direct supervision of the District, would not be covered by the District's General Liability insurance. While other insurance companies are willing to include such organizations within their policies, should the District afford coverage to entities for which it is not liable and exercises no control?

Individual Personal Insurance

The Texas Homeowner policy does not exclude liability protection for personal liability suits brought against the individual unless the action is in connection with the individual's business, "…including trade, profession or occupation." Therefore, personal liability incurred as an officer or member of a non-profit organization would be covered by a member's Homeowner policy. Again, coverage is only for Bodily Injury, Property Damage and Personal Injury (libel, slander, false arrest) if an additional premium endorsement has been added. The Homeowner coverage may not extend to the organization; check with your agent

Personal Umbrella (Excess) Liability

These policies are not standard; i.e., the wording varies from insurance company to insurance company. Generally, coverage follows the Homeowner policy.

Wrongful Acts

Liability that arises from an officer, director or volunteer's liability for mismanagement, wrongful-termination, misrepresentation – not bodily injury or property damage - is not covered by insurance unless the organization purchases Directors & Officers Liability insurance.

Insurance for Support Organizations

Both General Liability and D & O insurance are available for non-profit organizations; however, the cost may be an obstacle.