

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

Answers to the questions church and nonprofit leaders ask most about property, liability, abuse & molestation coverage, staff and volunteers, and how to protect their ministry and board.

Core Coverages & Property

1. What does a standard church general liability policy cover?

GL covers third-party bodily injury and property damage claims arising from your church's premises, operations, and activities — a visitor slipping in the lobby or a claim from an off-site event, for example. It does not cover abuse-related claims, employee injuries, or professional/counseling errors, which all require separate or additional coverage.

2. Is my church required to carry insurance if we're a registered nonprofit?

There's generally no blanket legal requirement simply because you're a nonprofit, but mortgage lenders, denominational affiliations, event venues, and school partnerships almost always require proof of coverage. Beyond any requirement, the potential financial exposure from even one serious claim makes coverage essential regardless of legal mandate.

3. What is a Business Owners Policy (BOP) and does it work for a church?

A BOP bundles general liability, property, and business income coverage into a package designed for lower-hazard operations, and many smaller congregations qualify. Larger churches, those with schools or daycare, multi-campus ministries, or significant additional programming often need a monoline package specifically underwritten for religious organizations instead.

4. Does my property policy cover stained glass windows and other custom architectural features?

Standard property coverage may value these at standard replacement cost, which can significantly understate the true cost of replacing custom stained glass, historic woodwork, or unique architectural elements. These features should be specifically scheduled with an appraised or agreed value rather than relying on a blanket building limit.

5. What is 'agreed value' coverage and why does it matter for an older or historic church building?

Agreed value coverage sets a specific, pre-agreed replacement figure for the building rather than leaving it to a post-loss appraisal, which matters for older or historic buildings where reconstruction costs (custom masonry, millwork, stained glass) can far exceed standard per-square-foot estimates. This avoids a dispute over value at the worst possible time — right after a major loss.

6. Do we need ordinance or law coverage for our sanctuary building?

Ordinance or law coverage pays the added cost of complying with current building codes when rebuilding after a covered loss — important for older sanctuaries that would otherwise need costly code upgrades (electrical, ADA, fire suppression) not covered by a standard rebuild estimate. This is one of the most commonly underinsured coverages for older church buildings.

7. What is equipment breakdown coverage and does our church need it?

Equipment breakdown covers mechanical or electrical failure of equipment (HVAC systems, kitchen equipment, sound and AV systems) that's typically excluded under standard property coverage, which responds to fire and similar named perils but not internal equipment failure. Given how much a church depends on HVAC and AV systems for services and events, this is a high-value addition.

8. Do we need a separate policy for musical instruments and AV/sound equipment?

High-value instruments (organs, pianos) and AV/sound systems are often better protected under an inland marine floater with scheduled values, since a blanket property limit may not adequately reflect the true replacement cost of these items. This also typically extends coverage if equipment travels off-site for events.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

9. What is business income coverage and does a church need it?

Business income coverage reimburses lost revenue (offerings, tuition if you run a school, rental income) and continuing expenses if a covered loss forces you to close or relocate temporarily. Churches often underestimate this need, assuming a rebuild is the only cost, when lost giving and program revenue during a closure can be just as significant.

10. Do we need flood insurance if our church isn't in a mapped flood zone?

Standard property insurance excludes flood entirely regardless of flood zone designation, and a meaningful share of flood claims come from properties outside high-risk zones. A separate flood policy is worth pricing out even in a moderate- or low-risk zone, especially for basements used for classrooms, food pantries, or fellowship halls.

11. What is builders risk coverage and do we need it during a renovation or new construction project?

Builders risk covers the structure, materials, and equipment during construction or major renovation, before your standard property policy would otherwise apply. Any building campaign, addition, or major remodel should have builders risk in place from the start of construction, coordinated with your contractor's own coverage.

12. Does our policy cover a fellowship hall or gym that we occasionally rent out to outside groups?

Rental use to outside groups can change your liability exposure and may require you to add the renting group as an additional insured on their own policy, or confirm your GL extends to this type of third-party use. This should be disclosed to your agent rather than assumed to be automatically included, especially for regular or recurring rentals.

13. Do we need coverage for a food pantry or clothing closet ministry operating out of our building?

Yes — food distribution and similar ministries carry product liability and general liability exposure (foodborne illness, injury during distribution) that should be specifically disclosed so your policy's operations description reflects this activity. Many church policies can add this affordably once it's properly disclosed.

14. What's the difference between replacement cost and actual cash value for our church building and contents?

Replacement cost pays what it actually costs to rebuild or replace, without a deduction for depreciation; actual cash value pays the depreciated value, which can leave a significant funding gap for a decades-old building. Replacement cost coverage is almost always worth the modest premium difference for church property.

15. Do we need coverage for a parsonage or other church-owned residential property?

Yes — a parsonage is a separate structure needing its own property coverage line, and liability exposure differs somewhat from the main church building given its residential use. This should be scheduled specifically on your policy rather than assumed to be an extension of the sanctuary's coverage.

16. What happens if our building is damaged and we can't hold services for several months?

Business income coverage (sized appropriately for your congregation's offering and program revenue) is what responds here, along with extra expense coverage that can help fund a temporary worship location to minimize disruption to your congregation. This should be discussed and sized specifically rather than assumed to be a minor line item.

17. Do we need coverage for outdoor structures like a playground, pavilion, or cemetery on our property?

Outdoor structures carry their own property and liability exposure (playground equipment injuries, pavilion structural issues, cemetery-related claims) and should be specifically scheduled and disclosed. These are commonly overlooked when a policy is first written and the property later adds these features.

18. What is 'inland marine' coverage and how does it apply to church property that moves, like sound equipment for outreach events?

Inland marine covers property that travels between locations or isn't tied to a fixed building — sound systems, tents, and equipment used for off-site outreach or mission events are common church examples. Standard property coverage tied to your building address won't respond if this equipment is damaged or stolen off-premises.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

19. Do we need umbrella coverage on top of our church's GL, auto, and other liability policies?

An umbrella adds an extra layer of limits above your GL, auto, employers' liability, and often abuse & molestation coverage — strongly recommended for churches given the potential severity of certain claim types. Many umbrella carriers require your abuse & molestation underlying limit specifically to meet a minimum before they'll attach over it.

20. How often should our church review its property values and coverage limits?

An annual review at renewal is the minimum, but any building addition, major renovation, or significant equipment purchase should trigger an interim review. Construction costs have risen significantly in recent years, and many churches carry outdated building values that no longer reflect true rebuild cost.

Abuse & Molestation Liability, D&O; & EPLI

21. What is sexual abuse and molestation (SAM) coverage, and does our church need it?

SAM coverage (sometimes called abuse & molestation or sexual misconduct liability) provides defense and settlement coverage for allegations of abuse involving staff, volunteers, or clergy — this is not covered under standard general liability and is arguably the single most important specialty coverage for any organization serving children or vulnerable populations. Every church with youth programs, childcare, or similar ministries needs this coverage.

22. Is abuse & molestation coverage automatically included in our GL policy?

No — standard GL policies almost universally exclude abuse and molestation claims entirely, and this must be purchased as a specific endorsement or standalone policy. Confirming this coverage exists (and at an adequate limit) is one of the first things any church insurance review should check.

23. What limits should our church carry for abuse & molestation coverage?

Given the severity these claims can reach — often into seven figures when litigated — many churches are underinsured at low legacy limits set years ago. Limits should be reviewed against current claim trends in the sector and coordinated with your umbrella policy, since a serious claim can quickly exceed a modest standalone limit.

24. Does abuse & molestation coverage apply to incidents that happened years ago, before we bought the policy?

This depends heavily on whether coverage is written on an occurrence or claims-made basis and what your policy's retroactive date is — a claims-made policy generally won't cover an incident that occurred before your retroactive date, even if it's reported today. This is a critical area to review carefully with your agent, especially given how often abuse claims surface years or decades after the incident.

25. What background check and screening requirements do insurers expect for youth and children's ministry volunteers?

Most carriers expect a documented screening process — background checks, reference checks, and a minimum tenure requirement before someone works unsupervised with children — as baseline risk management, and some make this a condition of binding abuse & molestation coverage. A written child protection policy is both a safety and an underwriting asset.

26. What is the 'two-adult rule' and why do insurers care about it?

The two-adult rule requires at least two screened adults present during any activity involving minors, reducing both the opportunity for abuse and the church's liability exposure if an allegation arises. Carriers view documented adherence to this rule as a meaningful risk management factor, and some require it as a condition of coverage.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

27. Do we need directors and officers (D&O;) liability insurance for our church board?

Yes — D&O; covers claims against board members and officers for alleged mismanagement, breach of fiduciary duty, or wrongful decisions in governing the organization, which is a real exposure for any church or nonprofit board making financial and personnel decisions. This protects both the organization and board members' personal assets from a governance-related lawsuit.

28. What does employment practices liability insurance (EPLI) cover for a church?

EPLI covers claims alleging wrongful termination, discrimination, harassment, or retaliation involving paid staff — an increasingly common claim type even for small church staffs, and one not covered under standard GL. Given how personal and relational church employment situations can become, this is a valuable and often underpriced coverage relative to its exposure.

29. Does EPLI cover claims related to a pastor's employment or termination?

Generally yes, though some ministerial employment disputes fall under a legal doctrine (the ministerial exception) that limits certain claims against religious organizations — this is a nuanced area where your policy language and a knowledgeable agent both matter. It's worth discussing directly rather than assuming standard secular employment law fully applies.

30. Do we need coverage specific to counseling provided by clergy or lay counselors?

Yes — pastoral or lay counseling carries its own professional liability exposure distinct from general abuse & molestation coverage, and many church policies include a counseling liability endorsement specifically for this. If your church offers any form of ongoing counseling ministry, confirm this is specifically addressed rather than assumed to be covered generally.

31. What is a 'named perils' abuse exclusion, and how would we know if our policy has one?

Some GL policies contain broad abuse exclusions that eliminate coverage entirely for any abuse-related allegation, even indirect claims like negligent supervision or hiring — this makes a standalone abuse & molestation policy essential rather than optional. Reading your policy's specific abuse exclusion language (not just assuming a standard exclusion) is worth doing with your agent.

32. Does our D&O; policy cover claims related to how we handled a past abuse allegation?

This depends heavily on your specific D&O; policy's exclusions — some D&O; forms exclude abuse-related claims entirely, deferring to the separate abuse & molestation policy, while others provide limited coverage for governance failures related to reporting or handling. This overlap (or gap) between policies should be specifically reviewed, since abuse-adjacent governance claims are a growing area of litigation.

33. What is fiduciary liability insurance and does our church need it if we offer a retirement plan?

Fiduciary liability covers claims related to mismanagement of an employee benefit plan (like a 403(b) retirement plan) under ERISA-related standards. Any church offering a retirement or benefits plan with an appointed administrator or trustee should evaluate this coverage specifically, separate from D&O;.

34. Do we need coverage if a mission trip participant is injured or accused of misconduct while serving abroad?

Many church liability and abuse & molestation policies include a worldwide extension for short-term mission trips, but this needs to be confirmed rather than assumed, especially for trips involving work with children or vulnerable populations abroad. Screening and supervision standards should extend to mission activities just as they do domestically.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

35. What is the difference between abuse & molestation coverage and general sexual harassment coverage under EPLI?

Abuse & molestation coverage addresses claims involving minors or vulnerable adults, often by clergy, staff, or volunteers in a position of trust; EPLI's harassment coverage addresses workplace harassment claims among paid staff. These are distinct exposures requiring distinct coverage, and a church needs both, not one in place of the other.

36. Should our church require abuse & molestation coverage from outside groups that use our building for youth programs?

Yes — any outside group (a scout troop, a community youth sports league) using your facility for youth-focused activities should carry their own abuse & molestation coverage and name your church as additional insured, since their activity on your premises can still expose your organization to a claim. This should be a standard part of your facility use agreement.

37. What is negligent hiring or negligent supervision liability, and how does it relate to abuse claims?

These are legal theories alleging the organization itself was negligent in hiring, screening, or supervising someone who later caused harm — a common secondary claim alongside a direct abuse allegation. Documented screening, training, and supervision practices are your best defense against this type of claim, in addition to having adequate coverage in place.

38. Do part-time or volunteer youth pastors need to be background-checked the same as paid staff?

Yes — screening standards should apply equally to anyone (paid or volunteer, full-time or occasional) who has access to or supervision responsibility over minors, regardless of compensation status. Most carriers expect consistent screening across your entire volunteer and staff base, not just paid positions.

39. What is 'claims-made' coverage and why does it matter more for abuse & molestation than for general liability?

A claims-made policy only covers claims reported while the policy is active (or during an extended reporting period), which matters significantly for abuse claims given how often they surface years or decades after the underlying incident. If you ever switch carriers or let this coverage lapse, tail coverage or a consistent retroactive date becomes critical to avoid a serious gap.

40. How does an insurer typically respond to a church that already has a past abuse claim on its record?

A past claim doesn't automatically make coverage unavailable, but it typically requires full disclosure, evidence of corrective action (updated child protection policy, staff retraining), and often results in higher premiums or a specialist market rather than a standard admitted carrier. Full transparency during underwriting generally produces more stable long-term coverage than attempting to minimize past history.

Workers' Compensation, Staff & Volunteers

41. Is workers' compensation required for our church staff?

Requirements are based on employee count or payroll and vary by state, and some states have specific exemptions or different rules for religious organizations — this should be confirmed for your specific state rather than assumed. Many churches carry workers' comp voluntarily even where not strictly required, given the physical and liability protection it offers.

42. Does workers' comp cover injuries to volunteers, or only paid staff?

Workers' comp generally covers paid employees, not volunteers, which creates a real gap for churches that rely heavily on volunteer labor for facility work, events, and ministry activities. A volunteer accident/injury policy is typically needed as a separate, relatively inexpensive addition to cover volunteers specifically.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

43. What is volunteer accident insurance and how is it different from workers' comp?

Volunteer accident coverage pays medical expenses (and sometimes limited disability benefits) for a volunteer injured while serving, regardless of fault, without the legal framework of workers' comp behind it. Given how much church operations depend on volunteers, this is one of the most commonly underpurchased coverages relative to its actual usage potential.

44. How is workers' comp premium calculated for church staff like custodians, musicians, or administrative employees?

Premium is based on payroll multiplied by a class code rate specific to each employee's actual job duties — custodial and facility staff carry different (often higher) rates than administrative or music staff. Accurately classifying each role matters, since misclassification is a common audit finding.

45. Do we need workers' comp coverage for our senior pastor or clergy staff?

Clergy compensation and employment status can be treated differently under some states' workers' comp rules given the ministerial employment relationship, so this is worth confirming specifically rather than assuming standard secular employee rules apply uniformly. Many churches do carry coverage for clergy staff regardless of any specific exemption.

46. What happens if a volunteer is injured setting up chairs or doing facility maintenance?

Without volunteer accident coverage, the church generally has no direct insurance responding to a volunteer's own injury (workers' comp doesn't apply to volunteers), though the volunteer could theoretically pursue a general liability claim if negligence is alleged. Volunteer accident coverage sidesteps this by paying medical costs directly regardless of fault.

47. Do we need to background-check or screen volunteers who do facility maintenance, not just those working with children?

While children's ministry screening gets most of the attention, any volunteer with regular building access or driving responsibilities should go through some level of screening as a matter of general risk management and often as a condition of certain coverage types. This is worth extending church-wide rather than limiting only to youth-facing roles.

48. What is 'course and scope of employment' and how does it apply to a paid staff member injured during a church event?

This is the legal standard for whether an injury is job-related and therefore compensable under workers' comp — an injury sustained while performing assigned job duties during a work event is generally covered, while a personal activity clearly outside job duties may not be. Clear staff job descriptions help support legitimate claims.

49. Does workers' comp cover a staff member injured while driving a church van or bus for a youth event?

Yes, an injury during work-related driving is generally covered under workers' comp since the employee was acting within the course of employment. Separately, if that staff member causes an accident, your hired/non-owned or church-owned auto liability (not workers' comp) is what responds to any third-party claim from the crash.

50. What is 'experience modification' (mod) and does it apply to church workers' comp the same way it does for other businesses?

Yes — your experience mod compares your actual claims history to what's expected for organizations your size, and it directly multiplies your base premium, the same mechanism used across all industries. Consistent safety practices and prompt claims handling are the biggest levers for improving it over time, just as with any other employer.

51. Do part-time church employees, like a part-time worship leader or nursery worker, need to be covered under workers' comp?

In nearly every state, workers' comp requirements are based on employee count or payroll, not full-time versus part-time status, so part-time staff generally still count toward your requirement and should be covered and reported. Check your specific state's threshold rather than assuming part-time staff are automatically exempt.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

52. What safety practices reduce workers' comp claims for church custodial and facility staff?

Documented ladder and fall safety, proper equipment training, and prompt maintenance of walking surfaces and stairways are the practices carriers weigh most heavily for facility staff, since slip, fall, and strain injuries are among the most common claims in this role. A simple written safety checklist, consistently followed, meaningfully reduces both injury frequency and claims cost.

53. Does our church need employers' liability coverage in addition to workers' comp?

Yes — employers' liability, bundled into the same policy, covers your defense if a staff member sues you directly for something the comp system doesn't fully address, such as certain third-party or dual-capacity claims. This is often overlooked in favor of just meeting the state's minimum workers' comp requirement.

54. What is a payroll audit and why does our workers' comp carrier require one at renewal?

Since premium is initially priced on estimated payroll, carriers audit actual payroll paid at the end of the policy period and true up premium by job classification. Keeping accurate payroll records separated by role (facility, administrative, music, clergy) makes the audit faster and reduces disputes over the final bill.

55. Do interns or seminary students serving at our church need to be covered under workers' comp?

Even unpaid or minimally compensated interns can trigger workers' comp obligations in some states if they're performing work that benefits the organization, similar to any other unpaid worker. This is commonly overlooked and worth confirming with your agent based on your state's specific rules.

56. What is 'return to work' coordination and does it apply to a church staff setting?

Return to work programs offer light or modified duty so an injured employee can return sooner rather than remaining on full wage-replacement benefits — even in a church setting, administrative or lighter tasks can often serve as a bridge back to full duties. This generally benefits both the employee's recovery and the total cost of the claim.

57. Do we need to report mission trip volunteers or short-term missionaries to our workers' comp or volunteer accident carrier?

Depending on how your policy is structured, mission trip participants may need to be specifically scheduled or reported, especially for international trips, since standard domestic coverage doesn't always automatically extend worldwide. Confirm this with your agent well before any trip involving significant participant numbers.

58. What happens if a volunteer is injured while driving their own car on a church errand?

This falls under your hired/non-owned auto liability for third-party claims arising from the accident, but the volunteer's own injury and vehicle damage would typically be handled through their personal auto policy and, if available, your volunteer accident coverage. This is a common area of confusion worth clarifying with your agent.

59. Does our church need workers' comp coverage if all our ministry staff are technically classified as contractors?

This is a significant risk area — if a state determines your 'contractor' staff are actually functioning as employees (set schedule, church-directed duties, ongoing relationship), you can be liable for unpaid workers' comp premium and penalties regardless of how positions were labeled. Properly classifying staff based on actual working relationships, not just convenience, protects the church from this exposure.

60. What is a return-to-work program and would it realistically work for a small church staff?

Even a small church can offer modified administrative or lighter-duty tasks temporarily for a staff member recovering from an injury, which can reduce total claim costs compared to full wage-replacement while they're out entirely. Discussing options in advance with your agent helps you have a plan ready if an injury occurs rather than improvising afterward.

Auto, Events, Missions & Specialty Ministry Exposures

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

61. Do we need commercial auto insurance for our church van or bus?

Yes — any church-owned vehicle used to transport members, especially for youth or senior ministry programs, needs a commercial auto policy reflecting its actual use, which differs meaningfully from a personal auto policy. Van and bus programs also often require higher liability limits given the number of passengers typically involved.

62. What is hired and non-owned auto coverage, and why do churches need it?

Hired and non-owned auto covers your liability exposure when volunteers or staff use their own personal vehicles, or a rented vehicle, for church business — extremely common for churches given how often ministry activities rely on personal vehicles for errands, pickups, and outreach. This is one of the most commonly missing coverages for smaller churches without a dedicated fleet.

63. Do volunteer drivers need to meet any specific screening requirements for church-sponsored trips?

Most carriers expect a documented driver screening process — valid license verification, a motor vehicle record check, and a minimum age or experience requirement — especially for anyone driving a church van, bus, or transporting minors. This is both a safety practice and, in many cases, a condition of your auto coverage.

64. Does our auto policy cover a 15-passenger van used for youth group trips?

15-passenger vans carry a documented higher rollover risk than standard vehicles, and some carriers apply specific restrictions, higher rates, or additional driver training requirements for this vehicle type. Confirm your policy specifically addresses this vehicle class rather than assuming standard van coverage applies without qualification.

65. Do we need special event liability coverage for things like a fall festival, concert, or community outreach event?

Standard GL may extend to on-premises events, but larger events with outside vendors, inflatables, or significant attendance sometimes need a specific event endorsement or a short-term event liability policy, particularly if outside vendors or a rental company require you to show coverage. This should be confirmed ahead of any larger-scale event.

66. Do outside vendors at our church events (inflatable bounce houses, food trucks, photo booths) need their own insurance?

Yes — vendors providing equipment or services at your events should carry their own liability coverage and name your church as additional insured, since an incident involving their equipment or service could still expose your organization to a claim if you didn't require proper coverage from them. This should be a standard part of any vendor agreement.

67. Does our policy cover mission trips, both domestic and international?

Many church liability policies include a worldwide extension for short-term mission activity, but this needs to be confirmed specifically, especially for international trips, since coverage territory and any applicable exclusions vary by policy. Trips involving higher-risk activities (construction, medical missions) may need additional specific coverage.

68. Do we need travel or medical evacuation coverage for international mission trips?

This is generally separate from your standard liability policy — dedicated travel/medical and evacuation coverage for mission trip participants is worth purchasing specifically for international travel, since standard domestic health insurance often doesn't apply abroad and standard liability coverage doesn't address participant medical costs.

69. What insurance do we need if our church runs a preschool or daycare program?

A preschool or daycare significantly increases your liability, abuse & molestation, and workers' comp exposure, and typically requires specific underwriting distinct from a standard church-only policy, including possibly state licensing-related insurance requirements. This should be treated as a distinct program needing its own coverage review, not an incidental add-on to your church policy.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

70. Do we need coverage if we operate a private Christian school as part of our ministry?

Yes — operating a school significantly changes your risk profile (student injury, abuse exposure involving minors, professional educator liability, special education considerations) and typically requires a dedicated school package rather than relying on your general church policy. This is a substantial enough operation to warrant its own specialized review.

71. What is participant liability coverage and does it apply to sports leagues or fitness classes hosted at our church?

Participant liability addresses injury claims from people actively participating in a church-sponsored activity (a basketball league, a fitness class) as opposed to a general visitor — this is sometimes a specific endorsement rather than automatically included in standard GL. If your church hosts recreational programming, confirm this is specifically addressed.

72. Do we need coverage for a community garden, farmers market, or similar outdoor community program on church property?

These programs carry general liability exposure similar to any public-facing activity on your grounds and should be disclosed to your agent so your policy's description of operations reflects the activity. Product liability may also apply if food grown or sold through the program is distributed to the public.

73. Does our church's insurance extend to a satellite campus or secondary worship location?

A multi-campus structure typically requires each location to be scheduled specifically on your property and liability program, and your overall limits and business income calculation should reflect the combined exposure across all locations. This is a natural point to have your whole program reviewed rather than simply adding a location.

74. Do we need coverage for a homeless ministry or shelter operating out of our building?

Yes — sheltering or serving vulnerable populations carries its own liability considerations distinct from typical Sunday programming, and this activity should be specifically disclosed so your policy reflects it accurately. Depending on scope and overnight stays involved, this may need a specific endorsement or separate policy consideration.

75. What is counseling liability coverage, and does it extend to informal pastoral counseling as well as formal counseling ministries?

Most counseling liability endorsements are written broadly enough to cover pastoral counseling provided as part of normal ministry, not just a formal, structured counseling program, but this should be confirmed rather than assumed. If your church has a distinct, more clinical counseling ministry, discuss whether additional specific coverage is warranted.

76. Do we need coverage for a food truck or mobile outreach ministry that travels to different locations?

A mobile ministry operation typically needs its own commercial auto policy for the vehicle and liability coverage reflecting mobile, off-premises operations, which generally isn't automatically included under a fixed-location church policy. Both the vehicle and the food-service or ministry activity itself need to be scheduled and disclosed.

77. Does our church need coverage for a benevolence fund or financial assistance program we run for the community?

Direct financial assistance programs generally don't carry the same liability exposure as physical or activity-based ministries, but any related activity (in-person application processing, distribution events) should still be considered as part of your overall operations disclosure. This is a lower-priority but worth-mentioning item in a full review.

78. Do we need a separate policy for a church camp or retreat center we operate?

Yes — a camp or retreat facility carries substantially different and often higher liability exposure (overnight stays, recreational activities, pools, ropes courses) than a standard church building and typically needs its own dedicated camp/conference center insurance program. This should not be treated as an extension of your main church policy.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

79. Does our insurance cover a church-sponsored sports league that plays at an off-site facility we don't own?

Coverage generally depends on whether the off-site facility's owner requires and confirms your church carries liability insurance for the activity, and whether your policy's operations description includes off-premises recreational programming. This is worth disclosing specifically rather than assuming your standard GL automatically extends to activities at a location you don't own or control.

80. Do we need coverage for a live-streamed or recorded worship service, given copyright and broadcasting considerations?

Streaming and recording introduce copyright licensing considerations (music, video content) that are separate from insurance, but any equipment used for streaming should be reflected on your property or inland marine schedule, and errors in handling copyrighted content could raise media liability questions worth discussing with your agent if streaming is a significant part of your ministry.

Crime, Cyber, Risk Management & Program Strategy

81. What is employee/volunteer dishonesty coverage, and why does a church need it?

This crime coverage protects against theft or embezzlement of church funds, offerings, or property by an employee or volunteer — a real and unfortunately common exposure given how much cash and financial trust flows through most congregations. Standard GL and property policies don't cover internal theft, making this a distinct and important line.

82. How common are embezzlement claims at churches, and does that affect our premium?

Financial mismanagement and embezzlement claims are a well-documented risk in the nonprofit and religious sector, often involving long-serving, trusted individuals with access to funds — this history is part of why crime coverage is priced and underwritten as its own specific line rather than bundled loosely into GL. Strong internal financial controls (dual signers, regular audits) can positively affect both risk and pricing.

83. What internal controls do insurers look for before offering favorable crime coverage terms?

Dual-count procedures for offerings, separation of duties between who counts money and who deposits it, regular financial audits or reviews, and documented approval processes for expenditures are the practices carriers weigh most heavily. A written financial controls policy, consistently followed, is both good stewardship and a positive underwriting factor.

84. Do we need cyber liability insurance for a church our size?

Yes — any organization that processes online giving, stores member or donor data, or relies on email and computer systems faces breach and ransomware exposure, and churches are increasingly targeted precisely because they're seen as having weaker security than commercial businesses. Cyber liability is relatively affordable and increasingly important given how much church operations now run through cloud-based donor and membership systems.

85. What does cyber liability actually cover for a church that primarily uses a third-party online giving platform?

Even when using a third-party platform, your organization retains responsibility for how member data is accessed, used, and protected on your end, and a breach affecting your congregation's information can still generate notification costs, legal fees, and reputational damage. Cyber coverage addresses these first- and third-party costs regardless of which platform actually processed the transaction.

86. Do we need coverage for a ransomware attack that locks us out of our membership database?

A well-structured cyber policy should include business interruption and recovery cost coverage for a ransomware event, in addition to the ransom payment itself where legally permissible. Confirm your specific policy addresses both the operational disruption and any extortion demand, since policies handle these differently.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

87. What should we do immediately after an incident on our property, whether an injury or an allegation?

Document what happened, preserve any relevant records or witness statements, and notify your insurance carrier or agent promptly — most policies require prompt notice, and delayed reporting is one of the most common reasons a claim gets disputed. For any allegation involving abuse or misconduct, involve legal counsel and follow your child protection policy's reporting procedures immediately, in addition to notifying your carrier.

88. Do we need to report every minor incident to our insurance carrier?

Yes — minor incidents can develop into claims weeks or months later, and most policies require prompt notice of anything that could reasonably lead to a claim regardless of how it looks in the moment. When in doubt, especially with anything involving a minor or a vulnerable person, report it.

89. What is a certificate of insurance and how quickly can we get one for a facility rental or event?

A certificate of insurance verifies your active coverage and limits, often required by a venue, vendor, or outside group before an event or facility use agreement is finalized. Most agents can issue an updated certificate the same business day once you specify who's requesting it and their specific requirements.

90. How often should our church's insurance program be reviewed?

An annual review at renewal is the baseline, but any material change — a new ministry program, a building project, adding a school or daycare, or a change in staff structure — should trigger an interim review rather than waiting for renewal. Coverage gaps most often appear when ministry activities grow faster than the policy has kept pace.

91. What's the value of working with an agent who specializes in church and nonprofit insurance versus a general commercial agent?

A specialist agent understands abuse & molestation nuances, knows which carriers actually build dedicated religious organization programs versus those that merely tolerate the risk, and can spot gaps (counseling liability, volunteer accident coverage, crime controls) a generalist agent might not think to check. For an organization this exposed to reputational and financial risk, that specific expertise often matters as much as price.

92. What is a loss run and why would we need one from our current carrier?

A loss run is your claims history report showing every reported claim, its status, and amounts paid — you'll need this when shopping for new coverage, since a new carrier wants several years of loss history to accurately price your risk rather than pricing blind. This is standard practice and not something to be hesitant about requesting.

93. Should our church get a risk management or loss control visit even if it isn't required?

Yes — a loss control visit can identify exposures (child protection policy gaps, facility hazards, financial control weaknesses) before they become claims, and many carriers specializing in religious organizations offer this as a value-added service. It's worth specifically requesting rather than waiting to be offered.

94. What is a written child protection policy, and does our insurer expect us to have one?

A written child protection policy documents your screening, training, supervision (including the two-adult rule), and incident reporting procedures for anyone working with minors — most carriers offering abuse & molestation coverage expect this as a baseline risk management practice, and some require it as a binding condition. Free templates are often available through carrier-sponsored risk management programs.

95. What's the biggest coverage gap you typically see when reviewing a church's insurance program?

Underinsured or outdated abuse & molestation limits, missing volunteer accident coverage, and a lack of crime/employee dishonesty coverage are the most common gaps found in reviews — all three are easy to overlook because they don't show up until there's already a serious loss. A periodic gap analysis against your actual current ministry activities is the best way to catch these before a claim does.

Church & Nonprofit Insurance — 100 Most Asked Questions

Specialty coverage guidance for churches, ministries & nonprofit organizations

96. Do multi-campus or larger churches need a different insurance structure than a single-location congregation?

Yes — larger, multi-campus ministries typically move to a more comprehensive package program with location-specific scheduling, higher overall limits, and often dedicated risk management support that a single-location policy doesn't include. This also opens the door to more competitive terms as scale and sophistication increase.

97. Should we bundle all our coverages with one carrier, or use different markets for specialty lines like abuse & molestation?

Bundling with one carrier specializing in religious organizations often provides the most coordinated coverage and claims handling, but for very large or unusual exposures, a specialist market for just the abuse & molestation piece specifically may offer better terms. The right structure depends on your congregation's size and specific risk profile, not a blanket rule.

98. What questions should our board ask before switching church insurance carriers?

Ask specifically about the carrier's experience with religious organizations and abuse-related claims (not just general commercial or nonprofit coverage), their claims-handling reputation and sensitivity in this specific area, whether abuse & molestation coverage is occurrence or claims-made, and whether there's any coverage gap during the transition. Price matters, but claims-handling experience with this specific exposure matters more over the life of the relationship.

99. Should our finance committee review our insurance program annually alongside our budget process?

Yes — reviewing coverage limits, property values, and any new ministry activities alongside the annual budget process ensures insurance stays aligned with the church's actual current operations rather than being revisited only when a renewal notice arrives. This also gives the board direct visibility into the organization's risk exposure as part of its fiduciary oversight.

100. What's the best way to get our whole board and staff aligned on the church's risk management priorities?

A periodic risk management review presented to the board — covering claims trends, coverage gaps, and any updates needed to your child protection or financial controls policies — keeps risk management a shared responsibility rather than something only one staff member or the insurance agent tracks. Many carriers specializing in religious organizations offer free tools and templates to support exactly this kind of review.