



J. Pekala & Associates, Inc. Quarterly Newsletter

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Issue 18

As we are at the end of the third quarter of 2010, it's back to school time! We hope you will enjoy the beautiful colors of the fall season. I want to again thank you for allowing our office to service the insurance needs of your organization.

GUIDEONE'S NEW RATING: GuideOne Insurance is thrilled to announce that the company's financial strength rating has been upgraded to "A" Excellent by A.M. Best Company. With this upgrade, GuideOne is joining an elite club. Nationally, only 10.5 percent of property/casualty insurance companies hold a higher rating. In upgrading GuideOne, A.M. Best said: "The rating actions reflect GuideOne's strong capitalization, favorable operating results, solid balance sheet and established market presence in its core niche market. The ratings further acknowledge the group's experienced management team, conservative operating philosophy and sustainable competitive advantages due to its prominent position within its niche market, particularly in terms of pricing, claims adjusting and loss control. GuideOne's positive attributes are derived from its disciplined underwriting approach, conservative investment strategy, long-standing relationships with its agents and strong franchise recognition among the religious community. The group's strong reputation, along with its dedicated service capabilities, has enabled it to sustain strong market penetration and maintain high policyholder retention rates."

EMERGENCY PREPAREDNESS: The month of September has been designated by the federal government as National Preparedness Month each year since 2004. Timed to coincide with remembrance of the 9/11 attacks and also coming at the height of hurricane season, National Preparedness Month is designed to "encourage Americans to take simple steps to prepare for emergencies in their homes, businesses and communities."

Common Types of Church Emergencies: Here are the main types of emergencies that churches face:

1. Natural disasters and pandemics
2. Fire emergencies
3. Acts of violence, including terrorism
4. Illness, injury, or death in the church family
5. Moral failure or criminal behavior of a church leader

Available Resources: While such emergency planning may seem overwhelming at first, churches should know that they are not alone in this endeavor. The SafeChurch website has many fact sheets devoted to starting a safety ministry as well as an emergency preparedness section which provides resources on dealing with hurricanes, tornadoes, storms, pandemics,

church violence, medical emergencies, arson, and other emergencies. Please email our office at erinrodgers@verizon.net if you would like any of these fact sheets sent to your organization. In addition, the following is a partial list of internet resources available to assist in emergency planning:

- **www.ready.gov** - This website of the Department of Homeland Security and the Federal Emergency Management Agency provides numerous resources on emergency planning. The "Ready Business" section of the site provides the information most applicable to churches, including a sample Business Emergency Plan for business and information on an evacuation plan.
- **www.redcross.org** - This website of the American Red Cross includes an emergency planning section to "prepare your workplace and employees." It also includes a series of fact sheets on emergencies as diverse as heat waves, landslides, winter storms, earthquakes, volcanoes, and chemical emergencies.
- **www.fema.gov** - This Federal Emergency Management Association website includes the "Emergency Planning Guide for Business and Industry," as well as resources to "Protect Your Property or Business from Disaster."
- **www.pandemicflu.gov and www.cdc.gov** - These government websites provide numerous resources and information on the developing H1N1 pandemic flu situation. The pandemicflu.gov site includes workplace planning resources, as well as a "Faith-Based and Community Organizations Pandemic Influenza Preparedness Checklist."

Finally, churches should not overlook the emergency planning resources that might be available from their denomination or from other similarly-situated churches. With these resources in hand, your church is encouraged, during this National Preparedness Month, to take proactive steps to become ready for the variety of emergency situations that you could one day face.

[Senior Living Communities:](#) Falls are the leading cause of injuries among the elderly. Here are some fall prevention tips to be aware of at your facility. When walking around, be sure that the bottom steps have recessed lighting or a strip of colored tape. When the last step is not differentiated, it's an accident waiting to happen. In addition, make sure area rugs are not allowed to creep or project over the top step of a stairway. Also, make sure lights are bright enough for people with vision loss, cataracts or trifocals. Be sure there are appropriately placed handrails near the toilet and in and out of the shower. Since many seniors experience occasional dizzy spells, shower seats are a critical measure in the prevention of falls.

[Guide Express:](#) Due to alternative options and changing technology, effective Oct. 15, GuideOne will be discontinuing the use of GuideExpress, the automated telephone number policyholders can call to access policy and billing information. Beginning October 15, 2010, customers will need to establish an account at www.GuideOne.com. There you will click on "Customer" in the Logon box on the right of the webpage. Then select "New User" and enter the "Policy Type," (Commercial Package) enter your "Policy Number" (include leading zeroes but not spaces or dashes) and "Agent Number," (37475). You will then be instructed to set up a User ID and Password. You can then access policy and billing information.

Loss Control: With the goal of making churches, senior living communities and other non-profit organizations safer, our two top insurance companies, GuideOne Insurance and Philadelphia Insurance both have programs for their policyholders to access information on loss control. Issues such as facility safety, financial safeguards, emergency preparedness, children and youth safety, vehicle and driver safety and a host of other important safety concerns facing organizations like yours are addressed. These FREE programs offer risk management resources such as fact sheets, checklists, sample procedures, articles, and e-newsletters with recommendations to help protect your organization. Don't wait until tragedy strikes to recognize the need for risk management in your organization. Be proactive! Sign up today.

- **GuideOne customers - www.SafeChurch.com.** You will need your policy number and agent number (37475).
- **Philadelphia Insurance Customers – www.losscontrol.com.** You will need your policy number.

Avoid Late Fees: You can now make e-check payments over the phone for your GuideOne policy. You can call GuideOne at 1-877-448-4331 (ext. 5522) or our office at 888-829-6505. Please have a blank check ready and we can process your payment using your bank's routing number and account number. **Please note this service is only available to our group customers by calling our office directly.**

Our Website: We created a website in order to provide current customers with important information and resources about our agency and the many companies we represent. You can access the website at www.churchinsurers.com. Listed below are some of the features available on the website for our customers:

- Customer related forms are available that can be printed, completed, and submitted to our office via fax or email. At this time, it includes claim forms & certificate of insurance request forms.
- Frequent asked questions such as those relating to new buildings, worker's comp audits, certificates of insurance, and adding or deleting vehicles or mortgagee can be found under our Customer Service Tab/Helpful Customer Service Hints.
- Links to important websites are available such as our original website www.churchinsurance.guideone.com, SafeChurch, GuideOne's Center for Risk Management, and more! These and future links will make it easy for our customers to access current and relative information for reducing the risks your organization faces in today's world.
- Links to interviews, commercials, and other examples of our agency in the news are available.
- Current and previous issues of our newsletter are available.

Just for Laughs: Two boys were walking home from church after hearing a strong preaching on the devil. One said to the other, "What do you think about all this Satan stuff?" The other boy replied, "Well, you know how Santa Claus turned out. It's probably just your dad"

In Closing: Should you have any questions or need additional information about any of the items mentioned in this e-mail, please feel free to contact our office at 1-888-829-6505 (Ext. 2). Also following this newsletter is GuideOne's Third Quarter 2010 Issue of "The Leader" and other fact sheets which contain additional articles you may find helpful. Don't forget to visit our website at www.churchinsurers.com.

GuideOne Insurance's Corporate Strengths

<p>A.M. Best Rating</p>	<p>GuideOne Insurance is rated “A” Excellent by A.M. Best Company and is in the rating company’s Secure category. The company’s Financial Size Category is Class IX (\$250 million to \$500 million).</p> <p>According to A.M. Best Company, the “A” rating is assigned to companies that “have an excellent ability to meet their ongoing obligations to policyholders.” A.M. Best has 16 separate financial strength ratings, and an “A” is the third highest. When assigning GuideOne’s rating, A.M. Best recognized the company’s excellent capitalization, solid operating performance and sustainable competitive advantages within its specialty niche market.</p> <p>An A.M. Best rating is an independent opinion, based on a comprehensive quantitative and qualitative evaluation of a company’s balance sheet strength, operating performance and business profile. Of the nearly 1,000 companies A.M. Best rates, <u>only approximately 10 percent</u> have ratings in categories higher than GuideOne’s. GuideOne has held its Secure rating for more than 19 years.</p>
<p>GuideOne’s Corporate Strengths</p>	<ul style="list-style-type: none"> ■ 63 years of proven success. ■ One of America’s largest church insurers and one of the top property and casualty companies, based on direct written premium. ■ A leading niche market insurer focused on its niche markets where employees have a specialized knowledge of customer needs. ■ Backed by several large, financially secure reinsurers. ■ More than 43,000 Commercial customers and 134,000 Personal Lines customers. ■ A socially responsible company and recognized leader in the fight against drinking and driving. To strengthen the company’s social mission, the GuideOne Foundation was established in 1998. As a nonprofit organization, the mission of the GuideOne Foundation is to support the same charitable organizations that churches and churchgoers support, including mission and community development organizations, immediate need assistance, and drinking and driving and underage drinking prevention.
<p>Financial Strengths</p>	<ul style="list-style-type: none"> ■ In 2009, GuideOne reported net income of \$44.6 million. ■ Direct written premium was \$505.7 million. ■ Surplus grew to its highest level ever at \$454.6 million. ■ GuideOne’s combined ratio was 96.6 percent. ■ Return on Equity (ROE) equaled 10.4 percent.

	<ul style="list-style-type: none"> ■ The company's premium to surplus ratio was 1.0:1 at year end. ■ Company invested assets totaled \$1.2 billion. ■ GuideOne continued a conservative investment strategy, with the largest percentage of its portfolio in corporate and government agency bonds, which are rated AA2 on average. This broad diversification helps cushion the company from volatility in the financial markets.
<p>Commercial Strengths</p>	<ul style="list-style-type: none"> ■ 43,000 church customers. ■ 1,050 Senior Living Community customers. ■ 470 school, college and university customers. ■ Superior products and church expertise. ■ The GuideOne Center for Risk Management and SafeChurch.com website, which offers the most comprehensive training, seminars, resources and research to help safeguard ministries. ■ The largest package of value-added services, including construction, loss control, employee screening and more.
<p>Personal Lines Strengths</p>	<ul style="list-style-type: none"> ■ 65,850 auto policies. ■ 55,750 homeowners insurance policies. ■ The only company providing a special auto endorsement designed for people of all faiths and insurance products to “Responsible Choice” auto customers. ■ Life and investment products, underwritten through Kansas City Life Insurance Company, are available to meet a wide variety of customer needs, including Whole Life, Term Life and Universal Life, Annuities, Individual Retirement Accounts (IRAs) and Disability Income Insurance.
<p>Agent Strengths</p>	<ul style="list-style-type: none"> ■ Approximately 160 career agents exclusively sell GuideOne products. ■ About 1,600 independent agents also are licensed to sell GuideOne products. ■ GuideOne remains committed to its agency force and the competitive advantages of agent distribution. We believe agents are the best way to provide niche market customers with personal service and expertise.





Instead of various groups spending time dealing with each of the key risk management issues individually over an extended period of time, the most effective way to begin and maintain a risk management program in your church setting is to look at risk management from a comprehensive approach. By forming a quality safety and security team, the chances of maintaining a safe and secure environment increase dramatically. The following recommendations are general guidelines. To learn more about forming a risk management team, please contact the GuideOne Center for Risk Management.

How the Risk Management Team Should be Structured

- Your team should include between three and eight members. They may include current or former law enforcement officers; current or former military personnel; those who have a background in insurance, claims or risk management; facility managers, and others who feel strongly about a proactive risk management program.
- The team should be endorsed and officially formed by action of the church's administrative body. Once established, they should meet at least on a quarterly basis.
- All ongoing activities, new ministries, special events, and building upgrades and construction should be filtered through the committee.
- Regular activity reports should be given to the church staff and administrative body.

How the Team Should Organize

- **Educate:** The team should obtain resources and seek training to become informed on key elements and responses of church risk management. The team should then educate the church board and staff members.
- **Plan and Respond:** As a team, begin developing a security plan that includes initial congregational education, inspections, activity protocols, and policies.
- **Train and Inform Others:** Begin a congregation-wide educational program on safety, security, and risk issues. Speak to small groups, key committees, and other members to keep them informed and receive their input on key safety issues and implementation.
- **Follow Through:** Develop a strategy for slowly phasing in a risk management program, as well as the ongoing monitoring, and an educational emphasis. The goal is to integrate safety and security measures into the daily life of the congregation without compromising the church's ministry.



FAITH-BASED & COMMUNITY ORGANIZATIONS PANDEMIC INFLUENZA PREPAREDNESS CHECKLIST



The collaboration of Faith-Based and Community Organizations with public health agencies will be essential in protecting the public's health and safety if and when an influenza pandemic occurs. This checklist provides guidance for religious organizations (churches, synagogues, mosques, temples, etc.), social service agencies that are faith-based, and community organizations in developing and improving influenza pandemic response and preparedness plans. Many of the points suggested here can improve your organization's ability to protect your community during emergencies in general. You can find more information at www.pandemicflu.gov.

1. Plan for the impact of a pandemic on your organization and its mission:

Completed	In Progress	Not Started	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Assign key staff with the authority to develop, maintain and act upon an influenza pandemic preparedness and response plan.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Determine the potential impact of a pandemic on your organization's usual activities and services. Plan for situations likely to require increasing, decreasing or altering the services your organization delivers.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Determine the potential impact of a pandemic on outside resources that your organization depends on to deliver its services (e.g., supplies, travel, etc.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Outline what the organizational structure will be during an emergency and revise periodically. The outline should identify key contacts with multiple back-ups, role and responsibilities, and who is supposed to report to whom.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify and train essential staff (including full-time, part-time and unpaid or volunteer staff) needed to carry on your organization's work during a pandemic. Include back up plans, cross-train staff in other jobs so that if staff are sick, others are ready to come in to carry on the work.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Test your response and preparedness plan using an exercise or drill, and review and revise your plan as needed.

2. Communicate with and educate your staff, members, and persons in the communities that you serve:

Completed	In Progress	Not Started	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Find up-to-date, reliable pandemic information and other public health advisories from state and local health departments, emergency management agencies, and CDC. Make this information available to your organization and others.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Distribute materials with basic information about pandemic influenza: signs and symptoms, how it is spread, ways to protect yourself and your family (e.g., respiratory hygiene and cough etiquette), family preparedness plans, and how to care for ill persons at home.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	When appropriate, include basic information about pandemic influenza in public meetings (e.g. sermons, classes, trainings, small group meetings and announcements).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Share information about your pandemic preparedness and response plan with staff, members, and persons in the communities that you serve.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Develop tools to communicate information about pandemic status and your organization's actions. This might include websites, flyers, local newspaper announcements, pre-recorded widely distributed phone messages, etc.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider your organization's unique contribution to addressing rumors, misinformation, fear and anxiety.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Advise staff, members, and persons in the communities you serve to follow information provided by public health authorities--state and local health departments, emergency management agencies, and CDC.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Ensure that what you communicate is appropriate for the cultures, languages and reading levels of your staff, members, and persons in the communities that you serve.

continued

3. Plan for the impact of a pandemic on your staff, members, and the communities that you serve:

Completed	In Progress	Not Started	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Plan for staff absences during a pandemic due to personal and/or family illnesses, quarantines, and school, business, and public transportation closures. Staff may include full-time, part-time and volunteer personnel.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Work with local health authorities to encourage yearly influenza vaccination for staff, members, and persons in the communities that you serve.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Evaluate access to mental health and social services during a pandemic for your staff, members, and persons in the communities that you serve; improve access to these services as needed.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Identify persons with special needs (e.g. elderly, disabled, limited English speakers) and be sure to include their needs in your response and preparedness plan. Establish relationships with them in advance so they will expect and trust your presence during a crisis.

4. Set up policies to follow during a pandemic:

Completed	In Progress	Not Started	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Set up policies for non-penalized staff leave for personal illness or care for sick family members during a pandemic.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Set up mandatory sick-leave policies for staff suspected to be ill, or who become ill at the worksite. Employees should remain at home until their symptoms resolve and they are physically ready to return to duty (Know how to check up-to-date CDC recommendations).
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Set up policies for flexible work hours and working from home.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Evaluate your organization's usual activities and services (including rites and religious practices if applicable) to identify those that may facilitate virus spread from person to person. Set up policies to modify these activities to prevent the spread of pandemic influenza (e.g. guidance for respiratory hygiene and cough etiquette, and instructions for persons with influenza symptoms to stay home rather than visit in person.)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Follow CDC travel recommendations during an influenza pandemic. Recommendations may include restricting travel to affected domestic and international sites, recalling non-essential staff working in or near an affected site when an outbreak begins, and distributing health information to persons who are returning from affected areas.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Set procedures for activating your organization's response plan when an influenza pandemic is declared by public health authorities and altering your organization's operations accordingly.

5. Allocate resources to protect your staff, members, and persons in the communities that you serve during a pandemic:

Completed	In Progress	Not Started	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Determine the amount of supplies needed to promote respiratory hygiene and cough etiquette and how they will be obtained.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consider focusing your organization's efforts during a pandemic to providing services that are most needed during the emergency (e.g. mental/spiritual health or social services).

6. Coordinate with external organizations and help your community:

Completed	In Progress	Not Started	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Understand the roles of federal, state, and local public health agencies and emergency responders and what to expect and what not to expect from each in the event of a pandemic.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Work with local and/or state public health agencies, emergency responders, local healthcare facilities and insurers to understand their plans and what they can provide, share about your preparedness and response plan and what your organization is able to contribute, and take part in their planning. Assign a point of contact to maximize communication between your organization and your state and local public health systems.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Coordinate with emergency responders and local healthcare facilities to improve availability of medical advice and timely/urgent healthcare services and treatment for your staff, members, and persons in the communities that you serve.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Share what you've learned from developing your preparedness and response plan with other Faith-Based and Community Organizations to improve community response efforts.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Work together with other Faith-Based and Community Organizations in your local area and through networks (e.g. denominations, associations, etc) to help your communities prepare for pandemic influenza.



SafeChurch® Starting a Safety Ministry

Focusing on three basic concepts can help you start an effective safety ministry at your church:

1. **VALUE** — Recognize the value of the people and facilities under your care, and embrace their safety and security as a key value in your church;
2. **TEAM** — Assemble a team of people dedicated to safety and security; and
3. **WORK** — Set the team to work, assisted by the many valuable safety resources provided by GuideOne.

Value

First, look at value. While fear of legal claims and lawsuits against the church may motivate action, another motivation arises by focusing on the people themselves. Church leaders are called to be *shepherds* to their congregation. One aspect of shepherding is to protect the flock against wolves (hazards) that may come after them. Church leaders are also called to be good *stewards* of the people and property that have been entrusted to their care. Finally, by showing concern for the safety and security of your congregation, you are expressing *love* to one another. Focusing on the values of *shepherding*, *stewardship*, and *love* may help to motivate your church to protect the valuable ministry and members under your care.

Team

Second, create a "Safety and Security Team" that will focus on safety. This team should include congregation members who will educate themselves and the other members of the congregation on safety and security issues at the church. By identifying members of the church whose jobs and/or interest relate to safety and risk management – such as those in the fields of facility or property management, human resources, law, accounting, law enforcement, insurance, or safety – a committed group of three to eight members can successfully run the risk management program. While pastoral or board *participation* on the team is not essential, pastoral and board *support* is crucial to the team's success.

Work

Third, the team will get to work identifying areas of risk at your church and taking steps to address those risks. By no means is the team alone in this effort. GuideOne provides fact sheets, checklists, sample forms, policies, and more to assist the team as it begins its work.

