



Catholic Mutual
Connection

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MOLD PREVENTION & REMEDIATION

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If you choose to use bleach to clean up mold, please follow these recommendations:

- Never mix bleach with ammonia or other household cleaners as this may produce dangerous, toxic fumes.

- Open windows and doors to provide fresh air.
- Wear non-porous gloves and protective eyewear.
- If the area to be cleaned is more than 10 square feet, consult the U. S. Environmental Protection Agency (EPA) guide titled, *Mold Remediation in Schools and Commercial Buildings*, which can be found at: www.epa.gov/mold/mold_remediation.html

If you have an extensive amount of mold and you do not think you can manage the cleanup on your own, contact a professional remediation ser-

vice with experience in cleaning mold in buildings, or contact the Risk Management Department at Catholic Mutual Group.



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Claim Story

The Lights are on,
but nobody's home

Same old location,
Brand new look

MOLD PREVENTION & REMEDIATION

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Mold is everywhere. Outdoors, mold contributes to the cycle of nature by breaking down organic matter. Indoors, however, molds have the potential to cause serious health problems.

Mold needs four elements to grow: a food source, the appropriate temperature, oxygen, and adequate moisture. Food sources include: wood, paper, textiles and plants—materials that are found in every building. Mold typically grows at temperatures ranging from 40 to 100 degrees Fahrenheit.

Mold requires a high level of moisture—usually a humidity level of 70% to 90% is necessary. Typically, buildings do not contain this concentration of moisture, unless there is flooding or other water problems. Some species of mold can begin growing in only a few hours; therefore, it is safe to assume that if walls, carpets, flooring and ceiling tiles get wet, mold growth can be expected within 24 to 48 hours.

Moisture Control

Because it is nearly impossible to control the presence of food sources and oxygen in your building, the most important consideration in preventing mold is controlling the presence of moisture. This is best done through preventive measures taken throughout the year. Simple tasks, such as replacing a washer on a dripping faucet, are critical in order to stop minor problems before they become major projects. It is important to remember that mold grows quickly, so repairs

should be done as soon as a problem is identified.

Following are some additional tips that will help control the source of moisture in your facility:

- Ensure that landscaping is clear of the foundation so that it does not hold moisture against the building exterior and allows ventilation around the foundation.
- Control the humidity inside your facility. A relative humidity range of 40% to 50% is comfortable for most people, without leading to potential condensation problems. Do not overcool your facilities. Overuse of an air conditioner can lead to unwanted condensation.



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- Consider using dehumidifiers in trouble spots if other moisture control measures do not work, especially in basements.
- Insulate any exposed cold water pipes and cold air ducts so that condensation will not form on the pipes and ducts.
- Avoid carpet on concrete basement floors—this is an ideal breeding ground for mold.
- Vent all combustion appliances to the outside.

Proper Water Drainage

Preventing damage caused by improper water drainage is essential in order to avoid costly problems. Regular cleaning of gutters and downspouts will ensure that the pathways are not ob-

structed, allowing water to drain in the desired direction. If the water inadvertently flows over the gutters, it may penetrate the wall or roofing system, causing leaks and other water-related damage.

Gutters should be cleaned every autumn after the majority of leaves have fallen in order to help prevent ice dams in the winter.

If you have sump pumps, make sure they are working and culverts are clear of obstructions. Consider installing a second sump pump a little higher than the main pump to provide backup protection should the initial pump fail or become overburdened.

Schedule Seasonal Inspections and Monitor Empty Buildings

It is good practice to schedule major inspections of your facilities in the fall and spring, as you prepare for seasonal changes. Look for signs of potential water problems, such as damp spots, worn roof shingles, or water stains.

If buildings are closed for a period of time, especially in the summer months, be sure to schedule extra maintenance checkups of the facilities in order to spot problems that may be brewing.

In most cases, mold is excluded from the property insurance policy; thus, it would be the responsibility of the institution to pay for remediation. However, it would be more costly to pay for mold remediation than to follow some of the preventive measures outlined above.

What Can I Do to Get Rid of Mold?

According to the Centers for Disease Control and Prevention (CDC), in most cases mold can be removed from hard surfaces by a thorough cleaning with commercial products, soap and water, or a bleach solution of no more than one cup of bleach to one gallon of water.

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Serving the Temporal Needs of the Church Since 1889
CATHOLIC MUTUAL GROUP

An informational newsletter provided to the members of
Catholic Mutual Relief Society + Fall/Winter 2010



CLAIM STORY

Mary and her family always looked forward to the semi-annual pancake breakfast which took place in the basement of the church. It was a great time to socialize with fellow parishioners and the kids really enjoyed watching Sam in action. Sam was a member of the fraternal organization that was solely responsible for sponsoring the pancake feed. He was well known for his pancake flipping abilities, sometimes flipping 15 pancakes perfectly on top of one another to make one big stack!

When they got to the basement, Mary's children ran off to watch Sam in action while Mary stopped to talk with Father Mike. After talking briefly, Mary headed over to find her children so they could eat. As she walked, she watched Sam perform one of his best tricks yet... flipping the pancakes backwards over his head. She marveled at how each one landed perfectly on top of the other. Before she knew it, her foot slipped underneath her and she started falling.

The next thing Mary remembered was waking up in a daze with paramedics shining a light into her eyes. Father Mike was standing next to her and the parish secretary was comforting her crying children. On her way to the hospital, she realized she never got to eat any of those delicious pancakes!

Turns out just minutes earlier, Sam had inadvertently flipped a pancake onto the floor right in the path where Mary was walking. Since she was looking straight ahead at Sam and not paying much attention to the floor, her foot slipped on the pancake and she fell. Due to her injuries, Mary was hospitalized for over a week and the hospital bills were extensive. Mary's health coverage only consisted of a major medical plan. With such a large unexpected loss, her medical bills piled up and she had no recourse but to approach the organization that sponsored the pancake dinner to assist her with her medical expenses. To her surprise, the fraternal organization did not have insurance coverage. Mary was left with no choice. A lawsuit was filed against Sam, the fraternal organization, her parish and the diocese. The diocesan insurance plan provided cover-

age to defend the parish and diocese. However, this coverage did not extend to the organization, or to Sam, since he was acting as a volunteer of the uninsured fraternal organization. Sam worried that his own personal assets could be at risk.

A misconception occurs when a parish assumes a fraternal organization is considered part of the church and covered under its diocesan insurance policy simply because the members of the fraternal organization are all parishioners. According to the USCCB, fraternal organizations (such as the Knights of Columbus, Knights of Peter Claver, Catholic Holy Family Society, etc.) are not IRS 501(c)(3) educational, charitable, or religious organizations under the control of the Catholic Church. Instead, they are IRS 501(c)(8) fraternal organizations under the control of their headquarters. As a result, these fraternal organizations are considered ineligible for listing in the Official Catholic Directory (OCD).

That being said, Catholic Mutual's Articles of Association and By-laws preclude providing coverage to entities that are not IRS 501(c)(3) and not listed or eligible for listing in the OCD. Since fraternal organizations (such as the Knights of Columbus, Knights of Peter Claver, Catholic Holy Family Society, etc.) are not legally recognized as an organization controlled by the Catholic Church, but rather a fraternal organization, a certificate of insurance should be obtained from them when they utilize parish facilities.

Catholic Mutual understands these organizations often play an integral role in fundraising and performing functions of great good to the Catholic Church. If they were to be performing a function or providing a service solely for a parish or the diocese, they would basically be acting as parishioners and a certificate of insurance would not be necessary. (For example, if they were to hold a Bingo night and all proceeds of which went to the parish.) However, in the preceding claims story, the pancake dinner was a fundraiser for the fraternal organiza-

tion. All profits went directly to the treasury for the organization, with a donation to the parish. A certificate of insurance would be required in this case, as the fraternal organization was not acting solely for the financial benefit of the parish.

Another option would be to have the fraternal organization purchase Third Party Special Events Coverage for their event. This coverage is a mechanism which allows the diocese to extend liability coverage to an individual or organization using parish facilities for a non-parish sponsored event. For a nominal fee (per event), \$1,000,000 in liability coverage is extended to a non-parish sponsored facility user.

The above two options also apply to any outside individual or group using parish facilities for a non-parish sponsored activity. When determining whether or not an activity is parish sponsored, the following questions are helpful.

- Does the parish have full control or final decision-making authority over the function?
- Do fees associated with the function flow through parish accounts?
- If applicable, is the function open to all parish members?
- Is the purpose of the function to facilitate learning, raise funds for the parish or to provide a social service on behalf of the parish?
- Is the organizer or leader of the function a parish employee or volunteer?

If the answer is "no" to any of the above questions, the activity is not parish sponsored, meaning that the facility user needs to provide insurance which includes the diocese and the parish as additional insured or the Third Party Special Events Coverage must be utilized.

If you have any questions or would like further clarification regarding the above information, please feel free to contact your Member Services Representative or the Risk Management Department.

THE LIGHTS AREN'T ON AND NOBODY'S HOME

Due to volatile economic conditions which have impacted virtually every sector of every market, Catholic Mutual has seen the need to increase awareness regarding "Vacant and Unoccupied" properties. These types of properties create unique concerns in the risk management and coverage arenas. Unfortunately, the reality is our member's have not been immune to the current economic plight and many church properties now stand empty. National vacancy rates in residential, storefront, and commercial properties are up on a national level.

Vacant properties are those that do not include personal property usual to the occupancy conducted within a building; **Unoccupied** properties are those that do contain personal property usual to the occupancy, however, operations have been temporarily suspended. *What exactly are the risk implications of Vacant or Unoccupied properties?* The National Fire Protection Agency (NFPA) has cited that there is a much higher probability of intentionally set fires due to the increased exposure with transients/vagrants that often find their way in when these types of conditions exist. Transients and vagrants also create an increased exposure with respect to criminal activity, vandal-

ism, etc. Additionally, maintenance concerns pose a threat and potential claims issues as well as implications for loss to adjacent buildings. As a result of increased exposures and risks, our Risk Management Department has developed



"CARES" guidelines that should be reviewed and implemented in an effort to mitigate these types of risks. Our guidelines include the following advice (the complete guideline can be located in the Risk Management area of our website, www.catholicmutual.org):

- Building should be well secured and appropriate security lighting should be available.
- Consideration should be given to installing deadbolt locks/window security screens.

- Regular checks of the interior/exterior need to be conducted. If applicable, heating units and sump pumps should be working effectively.
- Water supply issues should be appropriately addressed. Recommend shutting off all electrical breakers except those providing security lighting or heating (if operating).

We have found that many of our members have been challenged in making very tough decisions with respect to closing parishes and shutting down ministries. Catholic Mutual wants to ensure that you as our members are educated on risks, possible coverage issues (coverage limitations may apply to these buildings), and various coverage options that are available to you. If you are aware of a vacant and/or unoccupied property at your location, please feel free to contact your Catholic Mutual Service Office Representative, or Home Office Member Service Representative. We would be happy to discuss your particular situation, and work together with you to develop the best plan of action.

SAME OLD LOCATION, BRAND NEW LOOK!

Catholic Mutual Group is very excited to announce the arrival of our new and improved website! The website address remains the same at www.catholicmutual.org. Some of the new enhancements include:

- Easier navigation.
- Search Engine for hard-to-find topics and forms.
- Direct contact information for your designated CMG representative from our Claims, Member Services, and Risk Management Departments. Emails can be sent to them by clicking on their name.
- Direct access to online risk management training.
- Access to our volunteer risk management program materials.

- Diocesan Insurance Program Coverage Summary.
- New forms which can be completed online to make a property or vehicle change, complete the online Self Inspection Report, etc.
- Report a claim without having to pick up the phone!
- "CARES" safety materials are reorganized and easier to locate.
- Diocesan-specific policies or guidelines (if your diocese has chosen to use this feature).

We hope you are pleased with our new website. If you have any questions or need to request login information, please contact the Risk Management Department at 800-228-6108.

