

Lending Your Church Facilities

HAVE YOU ESTABLISHED GUIDELINES FOR LETTING OTHER ORGANIZATIONS USE YOUR BUILDING?

Scouting organizations, Weight Watchers, Alcoholics Anonymous, exercise groups, election boards, and other local organizations may ask to use your facilities to conduct their meetings or other events. Here are some issues you should consider if you are thinking of loaning or renting your church facilities:

INTENDED USE

First, identify the group asking to use your facilities. Will it offer a product or service to the public that conflicts with biblical values held by your ministry? Is the reputation of the group well established and generally accepted by your community?

Next, understand exactly what activities the organization will be conducting in your building. For example:

- Will the activities cause undue wear and tear on your facilities?
- Are they of a high-risk nature in which people might be easily injured?
- Will the group be confined to one specific area of the building, or will multiple rooms be required?
- If the group involves children or youth, will there be adequate supervision? Does the group use a child abuse prevention worker screening program that is at least as comprehensive as yours?

LEGAL CONSIDERATIONS

After weighing the issues above, your church must decide who will be responsible for injury or damage resulting from the event sponsored by the borrower. If you do not have a written agreement with the borrower before the sponsored event, your church may be held responsible. Obtain a “use of facility” agreement before allowing another group to use your building or grounds.

WRITTEN AGREEMENT

A written agreement should include these requirements:

- The borrower has a general liability insurance policy with at least a \$1 million limit of liability coverage.
- The borrower’s liability policy contains premises medical payments coverage with at least a \$5,000 limit.
- The borrower must name your church as an “additional insured” on its policy for liability damages resulting from its activities on your premises.
- The borrower provides a certificate of insurance before the event, demonstrating coverage and naming your church as an additional insured.
- The borrower agrees to refrain from any activities that are contrary to the mission, purpose or beliefs of owner, which is a Biblically-based religious institution.
- Finally, the use-of-facility agreement contains a hold-harmless, indemnity, and defense clause for any liability claim arising from the borrower’s activities on your premises. (Your Brotherhood Mutual agent can provide you with a sample agreement. Ask your church’s attorney to review the agreement to make sure it complies with the laws in your state.)

As a good neighbor, you should be open to helping people. Being a good steward suggests you take steps to avoid paying a claim arising from an activity your church didn’t sponsor. A written agreement will help protect your church and keep your insurance premiums at the lowest possible level.

