

# Risk Manager

Answers, resources and information to help assess and reduce risk

## Unusual Liability Risks: Fairs, Fundraisers and Activities By Derek Neubauer

The promise of warmer weather and the coming summer break motivates many school entities to get outside and to sponsor, or sanction, fairs and other activities that increase liability exposures. To reduce the chance of injuries, and liability exposure, school entities must be prudent in the planning of these events.

In general, collecting certificates of insurance from all contractors and outside entities involved and having participants sign waivers/hold harmless clauses provides adequate protection. However, there are some activities that additional controls are needed. The following are some examples:

### Inflatable Rides / Bounce Houses

To help reduce the risk of student injuries all inflatable rides should be installed by the supplying contractor, or as specified by the manufacturer. In addition, the contractor/manufacturer should provide you with operating instructions (i.e., the rides' capacity, supervision requirements and safety rules, *to include the wind speed at which they recommend not using the equipment*). The ride contractor should also provide you with a copy of their insurance.

### Dunk Booths

To help reduce the risk of student injuries they should not be allowed to be dunked. To help reduce liability exposure, outside persons that volunteer to be dunked should be required to sign a waiver/release.

Installation of the dunk booth should be performed by the contractor that supplies the booth, in accordance with the supplying contractor's recommendations. Barriers should be provided to help ensure the area behind and to the sides of the booth are kept free of persons, so that an errant ball cannot strike a spectator or damage other property.

### Mechanized Rides

*Mechanized rides are not covered by your policy.* For that reason, and the risk of severe injuries, or death, they should not be used. If, however, they must be used, the local municipality should be contacted to get any required permits. In addition, the ride contractor should provide you with a copy of their insurance and install the rides. The ride contractor should also supervise the use and operation of the rides. In this scenario, the school entity should also contact its agent to ensure proper and adequate coverage is in place. A separate "special event" policy may be needed. When using mechanized rides, barriers and event security staff should be provided and adequately staffed.

In the event mechanized rides are used on district property as part of a renter's event (i.e., a fair sponsored by the local town), to reduce liability exposure, the school entity should require the local town to follow the school's facilities use procedures and collect a certificate of insurance and a require them to sign a hold harmless clause. In addition, the school entity should require copies of the ride contractor's certificate of insurance.

## **Walking / Running Events**

These events can range from walks to runs. To reduce the risk of participant injuries, and liability exposure, these events must be carefully planned. The routes should be laid out and approved by the local municipality (if leaving school grounds). Emergency personnel should be stationed at various points throughout the course and in accordance with what they recommend. Similarly, spotters should be stationed throughout the course so that problems can be reported as quickly as possible; the spotters should be equipped with reliable communication systems. Adequate staff should be provided. Prior to the run, the course should be walked/driven to help ensure it has not been altered and all barriers are in place. All participants should be required to register, and the registration sheet should include a hold harmless clause. Registration sheets should be kept on file.

## **Fireworks**

***Fireworks are also not covered by your policy.*** For that reason, and the risk of severe injuries, death and fire, they should not be used. If, however, they must be used, the fireworks contractor should be required to provide you with a copy of their insurance and appropriate licensing. In addition, the fireworks contractor should recommend proper clearance requirements for spectators and buildings, and event security staff and adequate barriers should be provided to enforce these rules and to monitor prohibited areas. All local permits should be completed. The fire department should be stationed on building roofs if necessary, and either the fire department or the contractor should perform a post-show walk of the premises to look for unexploded fireworks shells.

In the event fireworks are used on district property as part of a renter's event (i.e., a display sponsored by the local town), to reduce liability exposure, the school entity should require the local town to follow the school's facilities use procedures and collect a certificate of insurance and a require a hold harmless clause be signed by the renter (i.e., the town). In

addition, the school entity should require copies of the fireworks contractor's insurance from the renter.

## **Bonfires**

Serious consideration should be given to providing a bonfire due to the risk of burn injuries and property damage. If a bonfire will be provided the local municipality should be contacted to get any required permits. In addition, the local fire department should be onsite and ignite and extinguish the fire. The fire should be no larger than 15 feet in height (i.e., flame height). The fire should be located where the fire department indicates it is safe, but not closer than 150 feet from any structures.

The above examples provide the basic framework of the risk/liability reduction strategy that should be planned into every event. In addition, things such as basic as parking must be carefully considered to reduce the chance of injuries and your liability exposures. Waivers/hold harmless clauses, facilities use procedures that include requiring the user to provide a certificate of insurance and sign a hold harmless clause, having contractors provide certificates of insurance and install equipment, following safe operating procedures, enforcing rules and providing adequate security, and using registration sheets and permission slips are all critical to running a successful event. If you have coverage-related questions regarding a planned event, you should contact your agent.

---

For additional information or training on best practices and safety management within your school entity, please contact Director of Risk Management Sharon Orr at (866) 401-6600, ext. 7152 or [sorr@cmregent.com](mailto:sorr@cmregent.com).