

# FACILITY USE BY OUTSIDE GROUPS

## Does your church have a facility usage policy?

A facility usage policy can help set expectations and provide guidelines for use of the premises by both internal and outside users.

### Recommendations:

Consider implementing a facility usage policy that addresses the following issues:

- Who will be permitted to rent and/or use the facility?
- What types of activities will your church allow and what activities will your church prohibit such as:
  - Higher-risk activities involving risk of damage to the building or injury to those attending;
  - Political or other activities that may jeopardize the church's tax exempt status; and
  - Strictly personal uses (such as birthday parties) vs. activities for the benefit of the community.
- What are the costs for such renting/use?
- Will your church require a security deposit against property damage?
- Who will be responsible for set-up and clean-up and the associated costs?
- Who will be responsible for child care and the associated costs (if applicable)?
- What are your church's behavioral expectations regarding:
  - Alcoholic beverages;
  - Smoking/tobacco use;
  - Pets/animals;
  - Weapons; and
  - Participants' conduct.
- Will goods or services be sold during the activity? If so, how will that be handled so as to preclude sales tax implications for your church?

With the facility usage policy in place that addresses these questions, your church will be better prepared to respond to facility requests. For requests that are granted for outside users, it is recommended that your church use a facility usage agreement which includes hold harmless language and require that your church be named as an additional insured on the user's insurance policies. (See next question).

**Tasks:**

## 1. Facility usage policy

Develop and implement a written policy regarding the church's procedures on the use of the premises by both internal and outside users.

## 2. Facility usage policy training

Train all employees and/or volunteers whose jobs are impacted by the procedures outlined in your church's policy on the use of the premises by both internal and outside users.

**Does your church allow other groups or organizations to use your premises, regardless of whether you charge them a fee or not?**

In most states, as the building owner your church will remain liable for the activities - including injuries or damages - that take place when other entities are using your premises.

**Recommendation(s):**

In order to protect your house of worship, there are several steps that you should take.

- First, you should consider a written church usage agreement that has the other organization agree to indemnify and hold your house of worship harmless from any claims or injuries that might take place while they are using your facility.
- Second, you should ensure that the other organization is insured and request that your organization be added as an "additional insured" to their policy for the time they are on your premises. Make sure they provide you with proof in the form of a "certificate of insurance" showing that your church has been added as an additional insured to their policy.

**Tasks:**

## 1. Facility usage certificates of insurance policy

Develop and implement a written policy regarding the church's procedures on obtaining certificates of insurance, hold harmless agreements and/or additional insured provisions when allowing groups or organizations to use your premises.

## 2. Facility usage certificates of insurance policy training

Train all employees and/or volunteers whose jobs are impacted by the procedures outlined in your church's policy on obtaining certificates of insurance, hold harmless agreements and/or additional insured provisions when allowing groups or organizations to use your premises.