



Giving every Galveston child the opportunity to soar

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**Moody Early Childhood Center Board of Directors**  
**Regular Board Meeting**  
**Friday, July 30, 2021 @ 1:00 p.m.**  
**MECC Family Engagement Room, 1110 21<sup>st</sup> Street, Galveston, TX**  
**and Virtual**

Join Zoom Meeting <https://us02web.zoom.us/j/83605027689>

Meeting ID: 836 0502 7689

**AGENDA**

1. Call to order
2. Introduction and welcome (Betty Massey)
3. Board Meeting Minutes (John Prochaska)
  - a) Review Minutes from June 18, 2021
  - b) Consideration for Approval
  - c) Public Comment
4. Committee Reports
  - a) Finance (Angela Brown & Karin Miller)
    - i. June Financial Statements
      - i. Review
      - ii. Consideration for Approval
    - ii. Insurance
      - i. Review
      - ii. Consideration for Approval
    - iii. Explanation of "One-Time" Money and Budget Impact to Budget
      - i. GISD Payback
        1. Pay off "Line of Credit"
          - a. Save accumulated interest of \$1000/month
      - ii. Childcare Relief (CCR)
        1. Place in operating account to cover July & August expenses
        2. Skip one draw from money market account
      - iii. PPP Loan
        1. Deferred Use of Moody Foundation Funds
      - iv. Treasurer Recommendations
      - v. Consideration for Approval
    - iv. 2122 Budget
      - i. Review
      - ii. Consideration for Approval
    - v. Next meeting August 19, 2021, 9:30 a.m.
    - vi. Public Comment
  - b) Governance and Board Development (John Prochaska)
    - i. By-Laws Change

- ii. Board Term Renewals
    - i. Jeri Kinnear
    - ii. Weez Doherty
    - iii. Amber Brown
  - iii. New Board Member Nominations
    - i. Review potential candidates for Board positions
      - 1. Dustin Henry
      - 2. Dr. Karen Ratcliff
      - 3. Dr. Debora Jones
      - 4. Elizabeth Kennedy Sanchez (Chiqui)
    - ii. Consideration of Approval for proposed candidates
  - iv. Next meeting August 5, 2021, 1:00 p.m.
  - v. Public Comment
  - c) Resource Development (Betty Massey)
    - i. FPC Application
    - ii. Moody Foundation Application
    - iii. Next Meeting August 19, 2021, 2:00 p.m.
    - iv. Public Comment
  - d) Scholarship (Weez Doherty, Marcus Parker & Karin)
    - i. Overview
      - i. No review in July
    - ii. Next Meeting August 19, 2021, 3:00 p.m.
    - iii. Public Comment
  - e) Government Affairs (Jeri Kinnear, Erica Adams, & Amber Brown)
    - i. Next Meeting TBD
    - ii. Public Comment
  - f) Board of Advisors (Amber Brown)
    - i. Next Meeting TBD
    - ii. Public Comment
5. Executive Director's report (Karin Miller)
  6. Adjourn to Executive Session – The board may recess into Closed Executive Session as permitted by the Texas Open Meeting Act Government Code Sections 551.071-551.090 Sub chapter D and E. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed meeting then the final action, final decision or final vote shall be either:
    - a) in the open meeting covered by the Notice upon the reconvening of the public meeting; or
    - b) at a subsequent public meeting of the Board upon notice thereof as the board shall determine
  7. Reconvene from Executive Session and take any action warranted.
  8. Next Board Meeting scheduled for August 27, 2021, 1:00 p.m.
    - a) Both live and virtual
      - Join Zoom Meeting <https://us02web.zoom.us/j/83605027689>
      - Meeting ID: 836 0502 7689
  9. Adjourn

MOODY EARLY CHILDHOOD CENTER  
Board of Directors Regular Meeting  
Moody Early Childhood Center Meeting Room / Videoconference via Zoom  
June 18, 2021

Present: Ms. Massey, Ms. Kinnear, Ms. Brown, Dr. Prochaska, Ms. Doherty, Mr. Parker, Ms. Adams, Ms. Miller, Mr. Peavy (YPTC)

Absent: Dr. Brown

Ms. Massey called the meeting to order at 1:07 pm.

A quorum was present. No members of the public were present.

Motion to approve minutes for April and May by Ms. Brown, seconded Ms. Kinnear. Motion passed unanimously.

Dr. Prochaska reminded all Board Members to send in conflicts of interest disclosure forms to Ms. Miller as soon as possible. He, along with Ms. Massey and Ms. Miller, reported on potential new members to add to the Board. Three potential additions have been identified and approached. Dr. Jones from UTMB's School of Nursing, Dr. Ratcliff from UTMB's School of Allied Health, and Mr. Henry from the Galveston Historical Foundation are interested in joining the Board.

The currently scheduled Board training will be rescheduled due to so many members having scheduling conflicts. Ms. Miller will coordinate with setting a new date and time. Dr. Prochaska noted that we are beginning our annual evaluation of both the Board of Directors and the Executive Director. Our goal is to have our findings ready to present to the Board by the end of the summer.

Mr. Peavy presented financial reports for May and addressed questions posed by the Board. Ms. Adams updated the Board on relevant bills that made it through approved the last legislative session, including Additional Day School Year policy changes. Ms. Massey announced that GISD Board approved our contract unanimously at their last meeting. Ms. Miller reviewed our eligibility for State-funded childcare relief. She and the team are working on submitting our application by July.

Ms. Miller reviewed SB1882 funding breakdowns and projections for FY21-22. She then reviewed the menus of services that GISD could provide next year, along with associated costs for Board consideration. Mr. Parker left the meeting at 2:14 pm. Ms. Adams updated the Board on how recovery dollars are allocated and might be spent by the district. Ms. Miller reviewed our academic and financial performance goal updates related to our contract with GISD.

The Board adjourned into executive session at 2:15pm, and returned to open session at 2:41pm. Motion to approve contract with GISD was made by Ms. Kinnear, seconded by Ms. Adams. Motion passed unanimously.

Ms. Massey announced that the PEF grant should be submitted by the end of July. Our First Presbyterian Community Development Fund letter was also submitted to help support the adult learning center. Further, a grant was submitted to Texas Mutual also for supporting the adult learning center. Additional funding is being sought through Texas Workforce Commission.

Ms. Miller reported that 12 families are currently utilizing our scholarship program. Two families were reviewed this past month and appropriate adjustments were made as needed.

Ms. Miller presented her Executive Director's report as detailed in the Board Meeting Packet

Meeting adjourned at 2:56pm.

Respectfully submitted by Dr. John Prochaska, MECC Board Secretary.

# MEMO

**TO:** Karin Miller, Executive Director  
**FROM:** John Peavy, Your Part-Time Controller, LLC  
**DATE:** July 21st, 2021  
**SUBJECT:** **June 2021 Financial Report for Moody Early Childhood Center**

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Attached please find the financial reporting package for the ten months ended June 30, 2021. It includes:

- Balance Sheets as of June 30, 2021 and June 30, 2020
- Income Statements & Budget Analysis for the ten months ended June 30, 2021 and June 30, 2020
- Statements of Cash Flows for the ten months ended June 30, 2021 and June 30, 2020
- Rolling Forecast for the year ending August 31, 2021

## **Executive Summary:**

GISD Allotment Revenue continued to make up for shortfalls in Tuition Revenue. Lower payroll, food service and transportation expenses resulted in Total Expenses being below budget.

The first PPP Loan was forgiven and the second PPP Loan (also for \$633k) has been received. **The forgiven PPP Loan is treated as revenue (Contributions).**

## **Year-to-Date Financial Highlights:**

- Total Revenue of \$3.9 million is above budgeted levels of \$3.6 million. Revenue would be \$495k below budget if the Moody Contribution was counted as fully received in the budget by May and the PPP Loan was not received.
- GISD Allotment Revenue of \$538k exceeded budgeted levels by \$288k and represented approximately 42% of this year's revenues (excluding the Moody Contribution). Tuition Revenue of \$353k was \$218k below expected levels. Federal Child Care Subsidy Revenue (\$147k) was \$61k below budget. Head Start Revenue of \$85k was \$76k below budget.
- Total Expenses (\$4.1 million) were slightly under budget of \$4.1 million, primarily due to payroll expenses and food services and transportation costs coming in under budget.
- Cash on hand ended at \$1.3 million. **This includes the \$633k from the second PPP Loan.**

## **Accounts Receivable Summary:**

- Accounts Receivable totaled \$12k at the end of June. This included \$22k due in Tuition, offset by \$10k in Allowance for Doubtful Accounts.

If you have any questions or would like to discuss in further detail, please feel free to contact me.

**Moody Early Childhood Center**  
**Balance Sheets**  
**As of June 30, 2021 and June 30, 2020**

<b>ASSETS</b>	<u><b>6/30/2021</b></u>	<u><b>6/30/2020</b></u>
Cash - Operating	\$ 236,179	\$ 136,611
Cash - Second PPP Loan	633,100	-
Cash - Professional Development	-	800
Cash - Scholarship	100,000	45,036
Cash - Capital	-	-
Cash - Special Projects	-	-
Cash - Money Market	322,440	1,290,946
Accounts Receivable	12,344	122,770
Prepaid Expenses	4,580	665
Other Assets	4,481	3,528
Total Current Assets	<u>1,313,123</u>	<u>1,600,357</u>
Property and Equipment		
Fixed Assets	1,063,242	1,062,542
Accumulated Depreciation	<u>(465,098)</u>	<u>(284,962)</u>
Total Property and Equipment, Net	<u>598,144</u>	<u>777,580</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 1,911,268</b></u>	<u><b>\$ 2,377,937</b></u>
 <b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 9,881	\$ 149,007
Payroll Liabilities	321,419	96,133
Line of Credit	284,493	296,020
Refundable Advance	<u>633,100</u>	<u>633,100</u>
Total Current Liabilities	<u>1,248,892</u>	<u>1,174,260</u>
Total Liabilities	<u>1,248,892</u>	<u>1,174,260</u>
 Total Net Assets	 <u>662,375</u>	 <u>1,203,677</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 1,911,268</b></u>	<u><b>\$ 2,377,937</b></u>

Moody Early Childhood Center  
Income Statements & Budget Analysis  
For the Ten Months Ended June 30, 2021

	ACTUALS		BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Current Month	Year-To-Date	Year-to-Date	\$ Variance Favorable/ (Unfavorable)	Year-To-Date	\$ Variance Favorable/ (Unfavorable)
<b>REVENUES</b>						
Tuition	\$ 38,901	\$ 353,015	\$ 570,900	\$ (217,885)	\$ 458,533	\$ (105,517)
Contributions	-	102,726	502,500	(399,774)	192,718	(89,992)
Contributions - PPP Loan Forgiven	-	633,100	-	633,100	-	633,100
Contributions - Moody	-	1,966,667	1,835,000	131,667	1,966,667	-
Grants	-	-	-	-	-	-
GISD Allotment	47,678	538,336	250,000	288,336	405,906	132,430
Title Funds	-	-	-	-	36,502	(36,502)
Federal Food Services	1,514	33,476	50,000	(16,524)	35,356	(1,880)
Federal Child Care Subsidy	16,123	147,028	208,333	(61,305)	201,685	(54,657)
Interest Income	160	2,009	-	2,009	5,214	(3,205)
Federal Head Start Contract	-	84,819	160,833	(76,014)	-	84,819
Other Income	238	3,136	17,833	(14,697)	21,417	(18,281)
<b>TOTAL REVENUES</b>	<b>104,613</b>	<b>3,864,313</b>	<b>3,595,399</b>	<b>268,914</b>	<b>3,323,998</b>	<b>540,314</b>
<b>EXPENSES</b>						
Payroll and Related Expenses	456,755	3,335,490	3,426,814	91,324	2,733,842	(601,647)
Food Services	2,439	30,810	119,167	88,357	63,571	32,761
Transportation	-	34,982	63,333	28,351	44,333	9,351
Family Engagement	-	882	2,500	1,618	2,301	1,419
Occupancy	-	-	-	-	-	-
Professional Development Charges	-	2,166	-	(2,166)	25,556	23,389
Board Expenses	-	569	1,000	431	1,087	518
Contract Services and Professional Fees	15,693	139,104	170,833	31,729	284,391	145,287
Supplies	7,948	81,432	56,667	(24,765)	56,304	(25,128)
Repairs and Maintenance	12,273	69,066	8,333	(60,733)	31,120	(37,946)
COVID-19 Expenses	6,441	55,875	50,000	(5,875)	52,648	(3,227)
Depreciation	19,491	165,971	-	(165,971)	86,641	(79,330)
Insurance	1,578	33,219	33,333	114	31,414	(1,805)
Fundraising	-	495	-	(495)	-	(495)
Interest Expense	1,013	9,492	15,000	5,508	14,610	5,118
Printing and Postage	674	14,267	8,333	(5,934)	8,848	(5,419)
Dues and Subscriptions	1,816	9,547	13,542	3,995	14,140	4,592
Bank Fees	1,757	6,616	10,833	4,217	10,832	4,216
Utilities	4,000	32,215	82,708	50,493	50,609	18,395
Travel	784	784	4,167	3,383	5,791	5,007
Information Technology	4,757	12,923	-	(12,923)	3,901	(9,022)
Marketing	520	11,831	10,417	(1,414)	15,983	4,152
Other Expenses	584	10,875	9,583	(1,292)	18,967	8,091
<b>TOTAL EXPENSES</b>	<b>538,522</b>	<b>4,058,612</b>	<b>4,086,563</b>	<b>27,951</b>	<b>3,556,890</b>	<b>(501,721)</b>
<b>TOTAL NET INCOME (LOSS)</b>	<b>\$ (433,908)</b>	<b>\$ (194,299)</b>	<b>\$ (491,164)</b>	<b>\$ 296,865</b>	<b>\$ (232,892)</b>	<b>\$ 38,593</b>

**Moody Early Childhood Center**  
**Statements of Cash Flows**  
**For the Ten Months Ended June 30, 2021 and June 30, 2020**

	<u>Year-to-Date</u> <u>6/30/2021</u>	<u>Year-to-Date</u> <u>6/30/2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Total Net Income (Loss)	\$ (194,299)	\$ (232,892)
<b>Adjustments to Reconcile Total Net Income (Loss) to Net Cash (Used)/Provided by Operating Activities:</b>		
Depreciation	165,971	86,641
<b>Changes in Operating Assets and Liabilities:</b>		
Accounts Receivable	152,838	737,240
Contributions Receivable	-	-
Prepaid	17,777	(12,572)
Accounts Payable and Accrued Expenses	<u>226,116</u>	<u>(10,233)</u>
<b>Net Cash (Used)/Provided by Operating Activities</b>	<u>368,404</u>	<u>568,185</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of Fixed Assets	<u>-</u>	<u>(139,924)</u>
<b>Net Cash Provided/(Used) by Investing Activities</b>	<u>-</u>	<u>(139,924)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Refundable Advance	-	633,100
Line of Credit Draw/(Repayment)	<u>(11,318)</u>	<u>96,050</u>
<b>Net Cash Provided/(Used) by Financing Activities</b>	<u>(11,318)</u>	<u>729,150</u>
<b>CHANGE IN CASH [increase/(decrease)]</b>	<u>357,086</u>	<u>1,157,411</u>
Cash, Beginning of Period	<u>934,633</u>	<u>316,633</u>
<b>Cash, End of Period</b>	<u>\$ 1,291,719</u>	<u>\$ 1,474,043</u>



**Moody Early Childhood Center**  
**Rolling Forecast - 2020/2021**

	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
	<u>Jun-21</u>	<u>Jul-21</u>	<u>Aug-21</u>
<b>REVENUES</b>			
Tuition	\$ 38,901	\$ 37,000	\$ 37,000
Contributions	-	10,000	10,000
Contributions - PPP Loan Forgiven	-		
Contributions - Moody	-	-	-
Grants	-	-	-
GSD Allotment	47,678	37,000	37,000
Title Funds	-	-	-
Federal Food Services	1,514	-	-
Federal Child Care Subsidy	16,123	15,000	15,000
Interest Income	160	-	-
Federal Head Start Contract	-	10,000	10,000
Other Income	238	1,000	1,000
<b>TOTAL REVENUES</b>	<u>104,613</u>	<u>110,000</u>	<u>110,000</u>
<b>EXPENSES</b>			
Payroll and Related Expenses	456,755	310,000	310,000
Food Services	2,439	-	8,000
Transportation	-	-	6,500
Family Engagement	-	250	250
Occupancy	-	-	-
Professional Development Charges	-	-	-
Board Expenses	-	100	100
Contract Services and Professional Fees	15,693	14,000	14,000
Supplies	7,948	6,000	6,000
Repairs and Maintenance	12,273	1,500	1,500
COVID-19 Expenses	6,441	5,000	5,000
Insurance	1,578	18,933	3,500
Fundraising	-	-	-
Interest Expense	1,013	1,500	1,500
Printing and Postage	674	800	800
Dues and Subscriptions	1,816	500	500
Bank Fees	1,757	1,000	1,000
Utilities	4,000	4,000	4,000
Travel	784	400	400
Information Technology	4,757	-	-
Marketing	520	1,000	1,000
Other Expenses	584	950	950
<b>TOTAL EXPENSES</b>	<u>519,031</u>	<u>365,933</u>	<u>365,000</u>
<b>TOTAL NET INCOME (LOSS)</b>	<u>\$ (414,417)</u>	<u>\$ (255,933)</u>	<u>\$ (255,000)</u>

**Moody Early Childhood Center**  
**Rolling Forecast - 2020/2021**

	<u>ACTUAL</u>	<u>PROJECTED</u>	<u>PROJECTED</u>
	<u>Jun-21</u>	<u>Jul-21</u>	<u>Aug-21</u>
<b>CASH FLOW ADJUSTMENTS:</b>			
Net Income	(414,417)	(255,933)	(255,000)
Change in Receivables	24,503	-	-
Change in Other Current Assets	1,778	-	-
Change in Payables	(523)	-	-
Change in Other Current Liabilities	41,385	-	-
Purchase of Fixed Assets	-	-	-
Change in Loans	-	(1,357)	(1,357)
<b>NET CASH FLOW</b>	<b>(347,275)</b>	<b>(257,290)</b>	<b>(256,357)</b>
Beginning, Checking		236,179	289,688
Deposits/(Withdrawals)		(257,290)	(256,357)
Transfer from/(to) Scholarship		800	-
Transfer from/(to) Money Market		310,000	310,000
Ending, Checking	236,179	289,688	343,331
<b>Beginning, Money Market</b>		<b>955,540</b>	<b>645,540</b>
<b>Transfer from/(to) Checking</b>		<b>(310,000)</b>	<b>(310,000)</b>
<b>Ending, Money Market</b>	<b>955,540</b>	<b>645,540</b>	<b>335,540</b>
Beginning, Scholarship & Professional Dev.	100,000	100,000	99,200
Scholarship Draw		(800)	-
Ending, Scholarship & Professional Dev.	100,000	99,200	99,200
Beginning, Total Cash		1,291,719	1,034,428
Checking Deposits/(Withdrawals)		(257,290)	(256,357)
Scholarship Draw		-	-
Money Market Transfers		-	-
Ending, Total Cash	1,291,719	1,034,428	778,071



**INSURANCE**

**INVOICE**

All premiums payable on or before effective date of policy.

ACCOUNT NO. / DATE  
00028468 / July 19, 2021

Moody Early Childhood Center  
1110 21st Street  
Galveston, TX 77550

\$ \_\_\_\_\_  
PAYMENT ENCLOSED

PROPOSED EFFECTIVE DATE	PROPOSED EXPIRATION DATE	QUOTE / POLICY	DESCRIPTION	AMOUNT
08/01/2021	08/01/2022	TBD	<u>Directors and Officers</u>	\$3,152.00
08/01/2021	08/01/2022	TBD	<u>Commercial Property</u>	\$5,887.34
08/01/2021	08/01/2022	TBD	<u>Windstorm &amp; Hail</u>	\$8,545.00
			Finance Agreement Down Payment 10 Months at \$1,380.02	<b>\$4,396.08</b>
08/01/2021	08/01/2022	TBD	<u>Liability Package</u>	\$9,239.00
08/01/2021	08/01/2022	TBD	<u>Umbrella</u> • Down Payment Invoice = 25% then 9 monthly payments from the carrier.	\$1,317.00 <b>\$2,639.00</b>
08/31/2021	08/31/2022	TBD	<u>Flood – DIRECTLY PAY TO FLOOD</u>	\$11,814.00
08/31/2021	08/31/2022	TBD	<u>Student Accident - DIRECTLY PAY TO CARRIER</u>	\$1,326.00
			PAYMENT DUE BY 07/30/2021 TO AVOID A LAPSE IN COVERAGE.	
<i>Payment and signed documents must be returned to GIA before a request for coverage can be made to the Insurance Company</i>				
<b>TOTAL ESTIMATED AMOUNT DUE</b>				\$

**Thank you for your payment. We greatly appreciate your business!**

6025 Heards Lane, Galveston TX 77551 • P O Box 16767, Galveston TX 77552  
409-740-1251 • FAX 409-740-0513  
www.gia-tx.com

**Commercial • Personal • Employee Benefits**

**BUSINESS INSURANCE PROPOSAL**  
**FOR**  
**MOODY EARLY CHILDHOOD CENTER**

**JULY 19, 2021**

**PRESENTED BY:**



*Please remember that the extent of any insurance provided to you is at all times governed by the complete terms and conditions of the issued policy itself.*

*This presentation is a summary only and does not constitute coverage. You must sign and return all required documentation along with payment for the premium amount due before a request for coverage can be made to the Insurance Company*

*From June through November insurance companies may stop binding coverage when a 'tropical disturbance' enters the Gulf of Mexico or Caribbean Sea. In these cases, coverage quoted in this proposal cannot be put in effect until the company lifts its binding restrictions*



July 19, 2021

Moody Early Childhood Center  
1110 21st Street  
Galveston TX 77550

Re: Proposal for All Renewals  
Proposed Effective 08/01/2021 to 08/01/2022

Dear Board Members:

**THANK YOU FOR YOUR BUSINESS!**

We are pleased to enclose a presentation for the above referenced policy or line(s) of coverage. We would like to point out that this presentation outlines a few of the coverage and/or limitation features of the coverage line(s) being presented, others may apply. We strongly encourage you to review the presentation closely and call us should you have any questions or concerns. *Please remember that the extent of any insurance provided to you is at all times governed by the complete terms and conditions of the issued policy itself. This presentation does not constitute coverage. You must sign and return all required documentation along with payment for the premium before a request for coverage can be made to the insurance company.*

We would also like to remind you that your exposure to a loss may exceed your current limits. Higher limits may be available.

GIA offers a full line of insurance products including Employee Benefits to help meet all your insurance needs.

If you have ANY questions concerning this presentation or any other insurance matter, please let us know.

Sincerely,

***Monica L Brown***

Monica L Brown

Enclosure



**MOODY EARLY CHILDHOOD CENTER'S SERVICE PERSONNEL**

**Monica L Brown CIC, LRM, ACSR**

Account Manager

Phone: (409)740-1251

Fax: (409)740-0513

Email: [monica.brown@gia-tx.com](mailto:monica.brown@gia-tx.com)

Monica L Brown CIC, LRM, ACSR is responsible for the daily servicing of your account including endorsements, certificate requests, client services, program design, accounting, quality assurance and market relationships.

Please feel free to contact us if you have any questions or concerns regarding your insurance program.



X \_\_\_\_\_ Initials

**PROPERTY SECTION**

**I N S U R A N C E**

Company:	Scottsdale Insurance Company	
AM Best Rating:	A+ XV	
Policy Term:	08/01/2021-08/01/2022	
Premium:	\$5,887.34	<i>Rates are not guaranteed. They are set by the company and subject to change</i>

<b>1110 Moody Ave, Galveston, TX 77550</b>		
<b>Property On Site – Playgrounds &amp; Fences</b>	<b>Contents</b>	<b>Business Income with Extra Expense</b>
\$105,000	\$650,000	\$450,000 at 1/12 Monthly Indemnity
Deductible \$1,000 per Occurance and 72 Hours per Occurrence for Business Income with Extra Expense		

<b>COVERAGE:</b>	Fire, Extended Coverage Special Extended Coverage Excluding Theft Actual Cash Value For All item (including roofs and roof surfaces) 80% Coinsurance Clause Applies	
<b>Additional Coverages Included with Policy</b>  <b>*Each Coverage has a \$5000 Deductible</b>	<b>COVERAGE</b>	<b>LIMIT OF INSURANCE</b>
	Limited Equipment Breakdown	\$25,000
	Computer Equipment	\$25,000
	Accounts Receivable	\$25,000
	Outdoor Signs	\$25,000
	Spoilage	\$25,000
	Valuable Papers	\$25,000
	Money And Securities	\$25,000
	Water Backup Or Overflow Of Sewers And Drains	\$ 5,000
	Employee Dishonesty	\$25,000

**Coverage:** Fire, Extended Coverage  
Special Extended Coverage including theft  
Replacement Cost Valuation  
80% Coinsurance clause applies

**Important Exclusions:** Windstorm, Hail, Flood, Earthquake, Theft, Terrorism, Loss Due to Virus or Bacteria, Limitation on Roofs or Roof Surfacing to Actual Cash Value due to no improvements to roof, and Cyber Related Incidents.  
**(Others May Apply)**

**Special Conditions:** Your policy contains exclusions that apply when any portion of the covered property is vacant for longer than 60 days. Please contact our agency should **any portion** of your property become vacant. It may be necessary to arrange appropriate additional coverage

25% Minimum Earned Premium Applies  
\$400.00 Non-Refundable Policy Fee is Included

**\* Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure. Please refer to the policy for specific terms, conditions, limitations, and exclusions.



**GENERAL LIABILITY SECTION**

**I N S U R A N C E**

Company:	Philadelphia Insurance Company
AM Best Rating:	A++ XV
Policy Term:	08/01/2021 – 8/01/2022
Premium:	\$9,239.00 <i>Rates are not guaranteed. They are set by the company and subject to change.</i>

Location(s) of premises:	1110 Moody Ave, Galveston, TX 77550
Description of operations:	Daycare Center (Non Profit)

<b>Limits **</b>	
\$ 1,000,000	Each Occurrence Limit
\$ 2,000,000	Products/Completed Operations Aggregate
\$ 1,000,000	Personal Injury/Advertising Liability
\$ 2,000,000	General Liability Aggregate
\$ 100,000	Fire Damage Legal Liability
\$ 5,000	Medical Expenses
\$ 1,000,000	Hired and Non Owned Auto

<b>Deductible:</b>	\$0 Bodily Injury, Property Damage, Personal Injury & Advertising Injury <i>Applies separately per claim, including loss adjustment expense</i>
<b>Subject to:</b>	Final Audit Adjustment of the Premium Basis listed below that was used to determine the annual estimated premium for this presentation.
<b>Premium Basis:</b>	Non profit Day Care Center – Number of Children = 273 @ 5.693 Each Rate Playgrounds/ Parks = 2 Additional Insured = KaBoom! And Blue Cross Blue Shield
<b>Special Conditions:</b>	<i>25% Minimum Earned Premium clause</i> <i>100% Earned – Additional Insured / Waiver of Subrogation Premiums</i> <b>GL coverage is premises-driven. All applicable locations MUST be listed.</b>
<b>Important Exclusions: (Others May Apply)</b>	Nuclear Energy Liability, Asbestos, Lead, Abuse or Molestation, Access or Disclosure with Limited Bodily Injury Exception, Fungi or Bacteria, Cap on Losses from Certified Acts of Terrorism, Medical Payments to Children Day Care Center, Employment Related Practices, Binding Arbitration, and Professional Liability, Communicable Disease, Unscheduled Special events.
<b>Contingent upon:</b>	Singed UM/UIM Form, Terrorism form ,and Premiums  <b>***POLICY EXTENSIONS ARE LISTED ON FOLLOWING PAGE ***</b>

**\*\* Notice regarding higher liability limits:** Your exposure to a liability loss may exceed your limits and even those quoted here. Higher liability limits may be available. Please let us know if you would like additional information or a quote.





# I N S U R A N C E

## GENERAL LIABILITY DELUXE ENDORSEMENT: DAY CARE ORGANIZATION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE

It is understood and agreed that the following extensions only apply in the event that no other specific coverage for the indicated loss exposure is provided under this policy. If such specific coverage applies, the terms, conditions and limits of that coverage are the sole and exclusive coverage applicable under this policy, unless otherwise noted on this endorsement. The following is a summary of the Limits of Insurance and additional coverages provided by this endorsement. For complete details on specific coverages, consult the policy contract wording.

Coverage Applicable	Limit of Insurance	Page #
Damage to Premises Rented to You	\$1,000,000	2
Extended Property Damage	included	2
Non-Owned Watercraft	Less than 58 feet	2
Medical Payments	\$20,000	2
Medical Payments – Extended Reporting Period	3 years	3
Athletic Activities	Amended	3
Supplementary Payments – Bail Bonds	\$2,500	3
Supplementary Payment – Loss of Earnings	\$500 per day	3
Employee Indemnification Defense Coverage for Employee	\$25,000	3
Additional Insured – Managers and Supervisors	Included	3
Additional Insured – Broadened Named Insured	Included	4
Additional Insured – Managers, Landlords, or Lessors of Premises	Included	4
Additional Insured - Lessor of Leased Equipment – Automatic Status When Required in Lease Agreement With You	Included	4
Additional Insured – Grantor of Permits	Included	4
Damage to Property You Own, Rent, or Occupy	\$30,000 limit	4
Transfer of Rights of Recovery Against Others To Us	Clarification	5
Duties in the Event of Occurrence, Claim or Suit	Included	5
Unintentional Failure to Disclose Hazards	Included	5
Liberalization	Included	5
Bodily Injury – includes Mental Anguish	Included	5
Personal and Advertising Injury – includes Abuse of Process, Discrimination	Included	6



# INSURANCE

## EMPLOYEE BENEFITS LIABILITY – CLAIMS MADE

Occurrence Limit: \$1,000,000  
 Aggregate Limit: \$1,000,000  
 Retroactive Date: 08/22/2016  
 Estimated 33 Employees @ .104 Rate

## PROFESSIONAL & VICARIOUS LIABILITY

Each Professional Incident: \$1,000,000  
 Aggregate Limit: \$2,000,000  
 Professional Activities covered: Day Care

## ABUSIVE CONDUCT COVERAGE

Each Abusive Conduct Limit: \$500,000  
 Aggregate Limit: \$1,000,000  
 Includes Employee Defense  
 New Definition of “abusive conduct” issued in new form

## KIDNAP EXPENSE ENHANCEMENT

### Additional Declarations

Subject to the Limits of Liability of this coverage form, the following is added to the Declarations:

\$ <u>50,000</u>	per “Abduction”
\$ <u>50,000</u>	in the aggregate
\$ <u>5,000</u>	deductible per “Abduction”

**NOTE:** Insured must agree to run Motor Vehicle Records and verify that employees or volunteers have personal auto insurance for any that will operate their own vehicles on your behalf.

**Exclusions and Limitations:** Prior and Pending Litigation and Known Circumstances Exclusion Applies to Professional Liability, Nuclear Liability, Nuclear/Chemical/Biological Terrorism applies to Auto, Binding Arbitration, Professional Policy Excludes Abuse and Molestation.



**UMBRELLA LIABILITY**

**I N S U R A N C E**

Company:	Philadelphia Insurance Company
AM Best Rating:	A++ XV
Policy Term:	08/01/2021 – 08/01/2022
Premium:	\$1,317.00 <i>Rates are not guaranteed. They are set by the company and subject to change.</i>

Limit of Liability:	\$1,000,000
Personal & Advertising Injury:	\$1,000,000 <i>(any one person or organization)</i>
Products and Completed Ops:	\$1,000,000
General Liability Aggregate:	\$1,000,000 <i>(except with respects to Auto or Products and Completed operations)</i>

Self-Insured Retention: \$10,000

Important Exclusions: (others may apply) Asbestos, Lead, Directors and Officers, Employers Liability Stop Gap, Abuse or Molestation, Watercraft, Fungi or Bacteria, Medical Professional Liability, Access or Disclosure of Private or Personal Informaiton, Recording and Distribution of Material Info, Professional / Auto/ Employee Benefits are all Following form, Cyber Excl;, Per Loc Aggregate Excl, Limit of insuranve Excl Clause.

**UNDERLYING COVERAGE REQUIREMENTS:**

**General Liability:**

- \$ 1,000,000 Each Occurrence
- \$ 2,000,000 General Aggregate (Other than Products & Completed Operations)
- \$ 2,000,000 Products & Completed Operations Aggregate
- \$ 1,000,000 Personal & Advertising Injury Limit

**Employee Benefits Liability:**

- \$ 1,000,000 Each Claim
- \$ 1,000,000 Aggregate

**Professional Liability (per occurrence):**

- \$ 1,000,000 Each Claim
- \$ 1,000,000 Aggregate

**Business Automobile: HNO Auto Only**

- \$ 1,000,000 Combined Single Limit of bodily Injury & Property Damage Liability

**Notice of Additional Available Limits:**

This proposal includes a quote for Umbrella Liability Coverage. This is excess and additional coverage over your Automobile, General Liability, and Employer’s Liability underlying policies (if carried). Umbrella coverage begins at \$1 Million and may be purchased in any limit of coverage in excess of \$1 Million.

Only you know your real exposures. You should consult with your attorney and determine your potential liability exposure and request a quote for coverage that will cover this exposure. GIA cannot and does not make policy limit recommendations.



**ACCIDENT COVERAGE**

**I N S U R A N C E**

Company:	Hartford Insurance Company
AM Best Rating:	A XIV
Policy Term:	08/01/2021 – 08/01/2022
Premium:	\$1,326.00 <i>Rates are not guaranteed. They are set by the company and subject to change.</i>

**INSURED PERSON** means any person who is:

- (1) a registered full-time student of the Policyholder; or
- (2) a registered part-time student of the Policyholder; or
- (3) a teacher of the Policyholder; or
- (4) a supervisor of the Policyholder or of activities sponsored by the Policyholder.

**COVERED ACTIVITIES** means

This policy covers each Insured Person during the policy period while he or she is:

- (a) supervising or participating in childcare / preschool sponsored by the Policyholder while on the Policyholder's premises or premises designated by the Policyholder and under the direct supervision of the Policyholder; or
- (b) traveling with a group in connection with such activities under the direct supervision of the Policyholder; or
- (c) traveling directly to or from the activities and his or her home or lodging place.

**BENEFITS AND AMOUNTS**

<b>Accidental Death Benefit</b>	Principal Sum:	\$5,000.00
<b>Accidental Dismemberment Benefit</b>	Principal Sum:	\$10,000.00
<b>Paralysis and Coma Benefit</b>	Principal Sum:	\$35,000.00
<b>Accident Medical Expense Benefit</b>	Maximum Benefit:	\$25,000.00
	Deductible Amount:	\$0.00
	Maximum Dental Limit:	\$1,000.00

PLEASE NOTE – Each policy is different. Please refer to the policy for specific terms, conditions, limitations, and exclusions.



**DIRECTORS AND OFFICERS**  
**LIABILITY**

**I N S U R A N C E**

Company:	Great American Insurance Company
AM Best Rating:	A XV
Policy Term:	08/01/2021 – 08/01/2022
Premium:	\$3,152.00
	<i>Rates are not guaranteed. They are set by the company and subject to change.</i>

**Item 3. Aggregate Limit(s) of Liability for each Policy Year:**

- (a) \$ 2,000,000 for all **Claims** other than **Claims for Employment Practices Wrongful Acts.**
- (b) \$ 10,000 Donor Data Loss Crisis Fund Sublimit of Liability. This limit is part of and not in addition to the Limit of Liability provided for in 3(a).
- (c) \$ 2,000,000 for all **Claims for Employment Practices Wrongful Acts.** This limit is:
  - part of and not in addition to the Limit of Liability provided for in 3(a).
  - separate from and in addition to the Limit of Liability provided for in 3(a).
- (d) \$500,000 FLSA Defense Sublimit of Liability. This limit is part of and not in addition to the Limit of Liability provided for in 3(c).

**Item 4. Retentions:**

Insuring Agreement A:	\$ 0	Each <b>Claim</b>
Insuring Agreements B and/or C:	\$ 2,500	Each <b>Claim</b>

**Prior & Pending Litigation Date:** 06/20/2016

PLEASE NOTE – There are options to add Workplace Violence, Cyber Liability, Social Engineering, or Crime coverage into this quote, but we must add it before renewal. Let me know if you want to add these terms!

**Special Note:** Sample Policy Form is included. Please review it carefully to determine if this coverage is right for you.

***\$75.00 Non-Refundable Policy Fee is Included***



## INSURANCE

D16047TX

### TEXAS AMENDATORY ENDORSEMENT

This is an endorsement which the state of Texas requires us to include. The bodily injury, property damage exclusion intro is changed to read it applies to any Claim made against "the" Insured versus "any" Insured. Also, the endorsement notes that we must give you 10 days notice prior to canceling a policy due to nonpayment of premium and notes that if we do not give you at least 60 days notice for non-renewal then the policy terms will remain in effect until the 61st days after we do give you notice.

D16548

### SUBLIMIT OF COVERAGE FOR TELEPHONE CONSUMER PROTECTION ACT CLAIMS

Law firms are increasingly using the Telephone Consumer Protection Act to target the fundraising activities of nonprofits. We are providing a \$100,000 sublimit of coverage for Claims related to this act. The sublimit includes coverage for Costs of Defense and assessed penalties, where insurable.

D16712 (13)

### GREAT AMERICAN NONPROFIT EAGLE ENDORSEMENT

Congratulations! You qualified to receive the Great American Eagle Endorsement. This endorsement seeks to address exposures that are relevant in an unstable world. Coverage includes 1. Additional A-side Limit. 2. Assistance with Emergency Travel Expenses for a Director or Officer in the event of a terror act. 3. Counseling for employees in the event of a workplace violence act. 4. Reimbursement to pay for a public relations firm in the event of an accident that causes the serious injury or death of 3 or more people. 5. Costs of Defense sub-limit for breach of employment contract claims. 6. 100% Costs of Defense allocation. In addition to other features, this endorsement also makes the Employment Practices coverage (if purchased) primary if another insurer also provides you with such coverage..

D16714TX (6)

### MOLESTATION AND ABUSE EXCLUSION

Excludes claims involving physical abuse or molestation, as well as allegations of negligent hiring, retention or reporting relating to such abuse or molestation.

DTCOV

### COVERAGE FOR ACTS OF TERRORISM

In accordance with federal law, this endorsement caps certain payments by insurance companies when a certified act(s) of terrorism is in excess of \$100 billion occur in a single calendar year.

IL7324

### ECONOMIC AND TRADE SANCTIONS CLAUSE

As required by the U.S. Treasury Department, we are prohibited from providing insurance when trade or economic sanctions are applicable.

**\*\* Notice regarding higher liability limits:** Your exposure to a liability loss may exceed your limits and even those quoted here. Higher liability limits may be available. Please let us know if you would like additional information or a quote.



## **PREMIUM COMPARISON**

# **I N S U R A N C E**

*Rates are not guaranteed. They are set by the company and subject to change*

<b>Coverage</b>	<b>Proposed Annual Premium</b>	<b>Expiring Premium</b>
<b>Property</b>	<b>\$5,887.34</b>	<b>\$5,638.51</b>
<b>Liability Package</b>	<b>\$9,239.00</b>	<b>\$7,849.00</b>
<b>Windstorm &amp; Hail</b>	<b>\$8,545.00</b>	<b>\$8,545.00</b>
<b>Flood</b>	<b>\$11,814.00</b>	<b>\$10,995.00</b>
<b>Student Accident</b>	<b>\$1,326.00</b>	<b>\$1,326.00</b>
<b>Umbrella</b>	<b>\$1,317.00</b>	<b>\$1,216.00</b>
<b>Directors and Officers</b>	<b>\$3,152.00</b>	<b>\$3,063.00</b>
<b>TOTAL ESTIMATED ANNUAL PREMIUM</b>	<b>\$41,280.34</b>	<b>\$38,632.51</b>

**Payment Terms: Per Invoice Attached**

*\*Premiums quotes shown are based on information provided by you or by others on your behalf. Any changes to exposures, limits or coverages may result in a change in rates.*

*This presentation does not constitute coverage. You must sign and return all required documentation along with payment for the premium amount due before a request for coverage can be made to the Insurance Company.*



# INSURANCE

## CARRIER RATINGS

### A.M. BEST FINANCIAL STRENGTH RATING

Best's Rating consists of Rating Classification and Financial Size Category. The Rating Classification assesses Company's overall performance and ability to meet its respective policyholder and other contractual obligations. The Rating Classifications are shown below:

<i>Rating Classification</i>	<i>Ability</i>	<i>"Not Assigned" Classification</i>	<i>Explanations</i>
A++, A+	Superior	NA - 1	Special Data Filing
A, A-	Excellent	NA - 2	Less than Minimum Size
B++, B+	Very Good	NA - 3	Insufficient Operating Experience
B, B-	Adequate	NA - 4	Rating Procedure Inapplicable
C++, C+	Fair	NA - 5	Significant Change
C, C-	Marginal	NA - 6	Reinsurance by Unrated Reinsurer
D	Very Vulnerable	NA - 8	Incomplete Financial Information
E	State Supervision	NA - 9	Company Request
F	In Liquidation	NA - 11	Rating Suspended

The Financial Size Category of Best's Rating examines the Company's financial strength. The financial Size Category accounts for the Company's equity, or Policyholder Surplus available to meet policy holder obligations. The categories are as follows:

<i>Class</i>	<i>Range in 000's</i>	<i>Class</i>	<i>Range in 000'S</i>
I	Up to 1,000	IX	250,000 to 500,000
II	1,000 to 2,000	X	500,000 to 750,000
III	2,000 to 5,000	XI	750,000 to 1,000,000
IV	5,000 to 10,000	XII	1,000,000 to 1,250,000
V	10,000 to 25,000	XIII	1,250,000 to 1,500,000
VI	25,000 to 50,000	XIV	1,500,000 to 2,000,000
VII	50,000 to 100,000	XV	2,000,000+
VIII	100,000 to 250,000		





# INSURANCE

## COINSURANCE

### WHAT DOES CO-INSURANCE MEAN?

A policy may contain a co-insurance provision requiring that the limits of insurance be a minimum percentage (usually 80%) of the insurable value of your property. If the limits of your policy are less than what is required by this provision, then any claim payment made to you may be reduced by the same percentage as the deficiency.

### EXAMPLE

Property Value	=	\$ 100,000
Insurance Required	=	\$ 80,000
Insurance Carried	=	\$ 60,000
Amount of Loss	=	\$ 10,000

Since the amount of insurance carried is 25% less than the amount required (\$80,000 as shown above), then any loss paid to you by the insurance carrier would be reduced by 25%. Below is an example of how the amount paid would be calculated.

### CO-INSURANCE CALCULATION

$$\frac{\text{Insurance Carried } (\$60,000)}{\text{Insurance Required } (\$80,000)} = .750 \text{ (percentage of the loss to be paid)}$$

Amount of Loss = (\$10,000) X .750 (the percentage paid) = \$7,500.

Based on the above example, you would be paid **\$7,500 minus any deductible** that applies.

***\*\*Notify your agent immediately when you have a substantial increase in the value of your building or contents in order to avoid any possible co-insurance penalties.***



## **ABOUT US**

**GIA is the oldest Independent Insurance Agency in Galveston county, servicing Texas since 1892.**

**As an Independent Insurance Agency, GIA represents a multitude of insurance companies and brokers. We shop the market in order to offer you the best combination of coverage with premium savings in mind.**

**GIA's Home Office is on Galveston Island and the Agency has survived every hurricane by providing reliable, professional service before and after each storm.**

**Currently, GIA has offices in Galveston and Friendswood.**

**We are a proud partner of the Insuror's Group, ranking 9<sup>th</sup> in the US in privately-held Independent Property and Casualty agencies.**

**GIA is a Full Service Independent Insurance Agency with the following departments:**

### **Commercial Lines**

- Property
- General Liability
- Windstorm
- Flood
- Worker's Compensation
- Business Auto
- Excess Liability
- Data Breach
- Bonding
- Directors & Officers Liability
- Professional Liability
- Cyber Liability / Data Breach

### **Personal Lines**

- High Value Homeowner Program
- Homeowners
- Windstorm
- Flood
- Auto
- Umbrella Liability
- Boats/Yachts
- Valuable Property
- Identity Theft

### **Benefits**

- Individual/Family
- Large Group
- Small Group
- Employer Sponsored Health Plans
- Dental
- Vision



To our Valued Clients:

Hurricane Season begins June 1 and ends November 30. Although we are never ready to experience a major storm, we must all be prepared. Please review your insurance policies and contact us if you have any questions or need to make any changes. We ask that you do this as soon as possible. When there is a named storm within specified coordinates, insurance companies will not write new nor increase current property coverage in certain areas.

Hurricanes Ike and Harvey taught us many lessons. Most importantly that both windstorm and flood insurance are needed by everyone in our area and all residents and business owners should have a current inventory of their contents.

As your insurance agent, we are committed to being here for you after a storm, any storm. GIA has developed a full Catastrophe plan that begins with evacuation for our employees so that once the storm has passed, regardless of the conditions, we will be available to handle claims as well as normal account activities.

Based upon our Hurricane Ike evacuation experience, we will close early to help our employees avoid major traffic congestion. However, we will not close until we can no longer bind new insurance coverage or make changes due to the proximity of the hurricane.

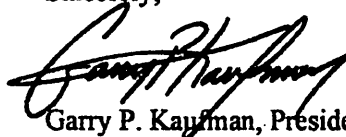
After the storm, depending on the damage, we will be taking claims from our Galveston and/or Friendswood offices. Regardless of our location, we can be contacted at our regular phone numbers. Just as during Hurricanes Ike and Harvey, we will be available for our clients to contact us before, during & after the storm. These procedures will apply to non-hurricane related catastrophes that affect our office and island as well.

For all property claims, especially after a significant hurricane hits our area, please take the following steps:

- Contact us direct to report your claim
- Make temporary repairs only and keep all receipts
- Take pictures of the damage
- Make sure you leave us your cell phone number if you leave a message
- You must obtain a WPI-8 form from your contractor for all structural repairs to Coastal properties

We are proud to be your insurance agent and we know that the time you will count on us the most will be when you have a claim. At GIA, we have worked hard to be here for you, *Before and After* the storm!

Sincerely,



Garry P. Kauffman, President

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6025 Heards Lane, Galveston TX 77551 • P O Box 16767, Galveston TX 77552  
409-740-1251 • FAX 409-740-0513  
[www.gia-tx.com](http://www.gia-tx.com)

Commercial • Personal • Employee Benefits



**WINDSTORM & HAIL**

**I N S U R A N C E**

Company:	Texas Windstorm Insurance Association (TWIA)		
Policy Term:	08/01/2021 – 08/01/2022		
Premium:	\$8,545.00	90-day Minimum Premium Applies - Business Income Premium is NOT refundable.	
<i>Rates are not guaranteed. They are set by the company and subject to change.</i>			

<b>1110 Moody Ave, Galveston, TX 77550</b>		
	<u>Limit</u>	<u>Premium</u>
Building:	\$0	\$0
Contents:	\$650,000	\$6,837.00
Business Income w/EE:	\$1,000 per day for 90 days	\$1,708.00
Current ICC ( ___ 0%)	\$0	\$0
	<i>Total</i>	<b>\$ 8,545.00</b>
Deductible(s):	Contents @ 1% (\$6,500) Business Income 168 hours	

*Higher Deductibles Available for Building & Contents*

Covers: Direct damage from Windstorm & Hail                      80% Coinsurance applies  
Replacement Cost Valuation

- OPTION 2 - 2% DEDUCTIBLE - PREMIUM = \$8,278
- OPTION 3 - 5% DEDUCTIBLE - PREMIUM = \$7,568

**Please refer to the policy for specific terms, conditions, limitations, and exclusions.**

**\*ICC: Increased Cost of Construction** – When covered structure is wind/hail damaged and when required by enforcement of any ordinance & laws, pays increased costs incurred to:

- Demolish, rebuild or repair wind/hail damaged part of structure to current building codes;
- Demolish and rebuild undamaged part of covered structure if required due to wind/hail damage of structure;
- Remove or replace portion of undamaged part of structure necessary to repair or replace damaged part.
- Increased Cost of Construction to meet current windstorm building codes needed to maintain wind insurance through TWIA.

- \* **Wind-Driven Rain coverage is not provided for commercial buildings.**
- \* **Certain structures such as signs, fencing, flag poles, light poles or outbuildings are not covered unless specifically listed and premium paid.**

**\*\* Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure.

*Texas Windstorm Insurance Association (TWIA) / National Flood Insurance Program (NFIP) - State & Federal programs with uniform rates. Differences in premiums from different agents indicate a difference in coverage and/or rating information. Contact us for an explanation.*



**WINDSTORM & HAIL**

**I N S U R A N C E**

Company:	Texas Windstorm Insurance Association (TWIA)	
Policy Term:	08/01/2021 – 08/01/2022	
Premium:	\$8,545.00	90-day Minimum Premium Applies - Business Income Premium is NOT refundable.
<i>Rates are not guaranteed. They are set by the company and subject to change.</i>		

<b>1110 Moody Ave, Galveston, TX 77550</b>		
	<u>Limit</u>	<u>Premium</u>
Building:	\$0	\$0
Contents:	\$650,000	\$6,837.00
Business Income w/EE:	\$1,000 per day for 90 days	\$1,708.00
Current ICC ( _ 0%)	\$0	\$0
	<i>Total</i>	<b>\$ 8,545.00</b>
Deductible(s):	Contents @ 1% (\$6,500) Business Income 168 hours	

*Higher Deductibles Available for Building & Contents*

Covers: Direct damage from Windstorm & Hail                      80% Coinsurance applies  
Replacement Cost Valuation

***Please refer to the policy for specific terms, conditions, limitations, and exclusions.***

***\*ICC: Increased Cost of Construction – When covered structure is wind/hail damaged and when required by enforcement of any ordinance & laws, pays increased costs incurred to:***

- *Demolish, rebuild or repair wind/hail damaged part of structure to current building codes;*
- *Demolish and rebuild undamaged part of covered structure if required due to wind/hail damage of structure;*
- *Remove or replace portion of undamaged part of structure necessary to repair or replace damaged part.*
- *Increased Cost of Construction to meet current windstorm building codes needed to maintain wind insurance through TWIA.*

**\* Wind-Driven Rain coverage is not provided for commercial buildings.**

**\* Certain structures such as signs, fencing, flag poles, light poles or outbuildings are not covered unless specifically listed and premium paid.**

**\*\* Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure.

***Texas Windstorm Insurance Association (TWIA) / National Flood Insurance Program (NFIP) - State & Federal programs with uniform rates. Differences in premiums from different agents indicate a difference in coverage and/or rating information. Contact us for an explanation.***



**FLOOD**

**I N S U R A N C E**

Company:	<b>Wright National Flood Insurance Company</b>		
Policy Term:	08/31/2021 – 08/31/2022		
Premium:	\$11,814.00	<i>Rates are not guaranteed. They are set by the company and subject to change.</i>	

<b>1110 Moody Ave, Galveston, TX 77550</b>				
Building Value	Building Deductible	Contents Value	Contents Deductible	Premium
\$0	\$0	\$500,000	\$1,500	\$11,814

Covers:                    Flood...Rising water  
                                  Actual Cash Value Basis  
                                  Deductibles Apply Separately to building & its contents  
                                  **A separate policy is required for each building or structure**

**Important Limitations & Exclusions:**

Coverage for building and personal property below the lowest elevated floor of an elevated structure is *limited* for structures built or substantially improved after December 31, 1974 (Post-Firm).

\*Coverage for Business Interruption is not provided by the National Flood Insurance Program (NFIP).

\*Separate policies are required for each Building and Structure.

*Included Federal Policy Service Fee is Not Refundable.*

**30 Day Waiting Period (from date of application & payment to company) for policy to become effective** if flood insurance is not required by Mortgage Company

**\* Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure. Please refer to the policy for specific terms, conditions, limitations, and exclusions.

**Texas Windstorm Insurance Association (TWIA) / National Flood Insurance Program (NFIP) - State & Federal programs with uniform rates. Differences in premiums from different agents indicate a difference in coverage and/or rating information. Contact us for an explanation.**



**FLOOD**

**INSURANCE**

Company:	<b>Wright National Flood Insurance Company</b>		
Policy Term:	08/31/2021 – 08/31/2022		
Premium:	\$11,814.00	<i>Rates are not guaranteed. They are set by the company and subject to change.</i>	

<i>1110 Moody Ave, Galveston, TX 77550</i>				
Building Value	Building Deductible	Contents Value	Contents Deductible	Premium
\$0	\$0	\$500,000	\$1,500	\$11,814

**ADDITIONAL OPTIONS:**

- Deductible: \$2,000 - PREMIUM = \$11,532
- Deductible: \$5,000 - PREMIUM = \$10,687
- Deductible: \$10,000 - PREMIUM = \$9,884
- Deductible: \$15,000 - PREMIUM = \$8,999
- Deductible: \$20,000 - PREMIUM = \$8,155
- Deductible: \$25,000 - PREMIUM = \$7,592
- Deductible: \$50,000 - PREMIUM = \$6,747

Covers: Flood...Rising water  
 Actual Cash Value Basis  
 Deductibles Apply Separately to building & its contents  
**A separate policy is required for each building or structure**

Important Limitations & Exclusions:

Coverage for building and personal property below the lowest elevated floor of an elevated structure is *limited* for structures built or substantially improved after December 31, 1974 (Post-Firm).

\*Coverage for Business Interruption is not provided by the National Flood Insurance Program (NFIP).

\*Separate policies are required for each Building and Structure.

*Included Federal Policy Service Fee is Not Refundable.*

**30 Day Waiting Period (from date of application & payment to company) for policy to become effective** if flood insurance is not required by Mortgage Company

**\* Notice regarding values:** We are pleased to assist you with your own final determination of the values you decide to insure. Please refer to the policy for specific terms, conditions, limitations, and exclusions.

*Texas Windstorm Insurance Association (TWIA) / National Flood Insurance Program (NFIP) - State & Federal programs with uniform rates. Differences in premiums from different agents indicate a difference in coverage and/or rating information. Contact us for an explanation.*



**DIRECTORS AND OFFICERS**  
**LIABILITY**

**I N S U R A N C E**

Company:	Great American Insurance Company
AM Best Rating:	A XV
Policy Term:	08/01/2021 – 08/01/2022
Premium:	\$3,152.00 – As per Expiring \$3,337.00 – Including Workplace Violence
<i>Rates are not guaranteed. They are set by the company and subject to change.</i>	

Item 3. Aggregate Limit(s) of Liability for each Policy Year:

- (a) \$ 2,000,000 for all Claims other than Claims for Employment Practices Wrongful Acts.
- (b) \$ 10,000 Donor Data Loss Crisis Fund Sublimit of Liability. This limit is part of and not in addition to the Limit of Liability provided for in 3(a).
- (c) \$ 2,000,000 for all Claims for Employment Practices Wrongful Acts. This limit is:
  - part of and not in addition to the Limit of Liability provided for in 3(a).
  - separate from and in addition to the Limit of Liability provided for in 3(a).
- (d) \$500,000 FLSA Defense Sublimit of Liability. This limit is part of and not in addition to the Limit of Liability provided for in 3(c).

Item 4. Retentions:

Insuring Agreement A:	\$ 0	Each Claim
Insuring Agreements B and/or C:	\$ 2,500	Each Claim

Prior & Pending Litigation Date: 06/20/2016

PLEASE NOTE – Cyber Liability and Social Engineering are already INCLUDED in quote shown above.

**\$100,000 Sub-limit for Workplace Violence can be added for an additional premium of \$185**

Special Note: Sample Policy Form is included. Please review it carefully to determine if this coverage is right for you.

*\$75.00 Non-Refundable Policy Fee is Included*





# I N S U R A N C E

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D16047TX	<b>TEXAS AMENDATORY ENDORSEMENT</b> This is an endorsement which the state of Texas requires us to include. The bodily injury, property damage exclusion intro is changed to read it applies to any Claim made against "the" Insured versus "any" Insured. Also, the endorsement notes that we must give you 10 days notice prior to canceling a policy due to nonpayment of premium and notes that if we do not give you at least 60 days notice for non-renewal then the policy terms will remain in effect until the 61st days after we do give you notice.
D16548	<b>SUBLIMIT OF COVERAGE FOR TELEPHONE CONSUMER PROTECTION ACT CLAIMS</b> Law firms are increasingly using the Telephone Consumer Protection Act to target the fundraising activities of nonprofits. We are providing a \$100,000 sublimit of coverage for Claims related to this act. The sublimit includes coverage for Costs of Defense and assessed penalties, where insurable.
D16712 (13)	<b>GREAT AMERICAN NONPROFIT EAGLE ENDORSEMENT</b> Congratulations! You qualified to receive the Great American Eagle Endorsement. This endorsement seeks to address exposures that are relevant in an unstable world. Coverage includes 1. Additional A-side Limit. 2. Assistance with Emergency Travel Expenses for a Director or Officer in the event of a terror act. 3. Counseling for employees in the event of a workplace violence act. 4. Reimbursement to pay for a public relations firm in the event of an accident that causes the serious injury or death of 3 or more people. 5. Costs of Defense sub-limit for breach of employment contract claims. 6. 100% Costs of Defense allocation. In addition to other features, this endorsement also makes the Employment Practices coverage (if purchased) primary if another insurer also provides you with such coverage..
D16714TX (6)	<b>MOLESTATION AND ABUSE EXCLUSION</b> Excludes claims involving physical abuse or molestation, as well as allegations of negligent hiring, retention or reporting relating to such abuse or molestation.
DTCOV	<b>COVERAGE FOR ACTS OF TERRORISM</b> In accordance with federal law, this endorsement caps certain payments by insurance companies when a certified act(s) of terrorism is in excess of \$100 billion occur in a single calendar year.
IL7324	<b>ECONOMIC AND TRADE SANCTIONS CLAUSE</b> As required by the U.S. Treasury Department, we are prohibited from providing insurance when trade or economic sanctions are applicable.

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**\*\* Notice regarding higher liability limits:** Your exposure to a liability loss may exceed your limits and even those quoted here. Higher liability limits may be available. Please let us know if you would like additional information or a quote.

## Workplace Violence Insurance

Serious Issues, Important Coverage

Is your organization considering any firings, staff reductions or facility closings?

Are your organization's premises easily accessible by the public, with limited security?

According to the Occupational Safety & Health Administration, nearly 2 million American workers report having been victims of workplace violence each year. These reports range from threats and verbal abuse to physical assaults and even homicide. Workplace violence can affect and involve employees, clients, customers and visitors.

### Who is at risk?

Although workplace violence can occur almost anywhere at any time, organizations may be at an increased risk if they:

- Provide services
- Interact with the public
- Work with unstable persons
- Are without a security force

Workplace Violence Insurance can help organizations offset the unexpected financial costs incurred from workplace violence incidents.

### Coverage Highlights:

- Expense coverage for insured events of actual or alleged intentional and unlawful use of, or threat to use, deadly force with intent to cause harm at the organization's premises.
- Covers reasonable expenses associated with recovery, including:
  - Fees and expenses for an independent security consultant for up to 90 days
  - An employee counseling seminar by an independent consultant within 90 days
  - An independent public relations consultant for 90 days
  - Independent security guard services for up to 30 days
  - An independent forensic analyst
  - Employee salaries for up to 90 days for those victimized by the incident
  - Replacement-employee salaries for up to 90 days
- Loss of income the organization experiences due to an insured event for up to 90 days following the event. Our broad definition includes:
  - Excess of revenues over expenses, if any, that would have been earned had no workplace violence occurred;
  - Plus the cost of resuming operations to the same quality of service existing prior to the incident;
  - Plus reasonable expenses incurred to reduce the business income loss;
  - Less all recoveries, insurance, and other indemnity that would cover a business income loss
  - Less the amount the insured organization failed to reduce loss through reasonable measures.
- Coverage is available as a sublimit by endorsement on Great American's ExecPro® Nonprofit Solution policy.



Great American Insurance Group, 301 E Fourth Street, Cincinnati, OH 45202. Coverage features described in this brochure are summarized. Refer to the actual policy for a full description of applicable terms, conditions, limits and exclusions. Coverage is underwritten by Great American Insurance Company, which is an authorized insurer in all 50 states and the District of Columbia. Great American Insurance Company is the owner of the following registered service marks: the Great American Insurance Group eagle logo, and the word marks Great American®, ExecPro® and Great American Insurance Group®. © 2013 Great American Insurance Company. All rights reserved. 2352-ELD (5/13)



Classification	2021 Budget	9 month Total	Avg/Month	Est Year End	2122 Budget
Contributions	\$350,000	\$102,726	\$11,414	\$136,968	\$300,000
Contributions - Moody	\$1,900,000	\$1,966,667	\$218,519	\$1,966,667	\$1,900,000
GISD Allotment	\$517,000	\$490,658	\$54,518	\$654,211	\$905,816
Federal Food Services	\$60,000	\$31,962	\$3,551	\$42,616	\$60,000
Federal Child Care Subsidy	\$216,000	\$130,905	\$14,545	\$174,540	\$215,000
Federal Head Start		\$84,819	\$9,424	\$113,092	\$285,000
Interest Income	\$7,000	\$1,849	\$205	\$2,465	\$7,000
Other Income	\$14,400	\$3,192	\$355	\$4,256	\$15,000
Tuition	\$960,000	\$313,896	\$34,877	\$418,528	\$550,000
<b>TOTAL REVENUES</b>	<b>\$4,024,400</b>	<b>\$3,126,674</b>	<b>\$347,408</b>	<b>\$3,513,343</b>	<b>\$4,237,816</b>

Account Code		2122	<=15-\$1
<b>6100</b>	<b>Payroll and Expenses</b>	<b>\$4,125,399</b>	<b>\$4,397,788</b>
	Salaries	\$3,466,411	\$3,726,696
	Stipends	\$75,400	\$75,400
	TRS	\$58,929	\$63,354
	Health	\$422,400	\$422,400
	WC	\$17,332	\$18,634
	Unemployment	\$34,664	\$37,267
	Medicare	\$50,263	\$54,037
<b>6200</b>	<b>Contracted Services</b>	<b>\$447,500</b>	<b>\$447,500</b>
	HLB	\$20,000	\$20,000
	YPTC	\$75,000	\$75,000
	Atty	\$5,000	\$5,000
	Educational Consultants	\$10,000	\$10,000
	Esco	\$1,500	\$1,500
	Family Engagement	\$3,000	\$3,000
	GISD Transportation	\$0	\$0
	GISD Food Service	\$30,000	\$30,000
	GISD Utilities	\$0	\$0
	Insurance	\$45,000	\$45,000
	Interest	\$10,000	\$10,000
	K&K - Custodial	\$135,000	\$135,000
	K&K - COVID	\$54,000	\$54,000
	Maintenance Repairs	\$5,000	\$5,000
	Projects	\$5,000	\$5,000
	Marketing	\$5,000	\$5,000
	Other	\$13,000	\$13,000
	Tadpoles	\$5,000	\$5,000
	Technology	\$5,000	\$5,000
	Telephone/Internet (ATT)	\$3,500	\$3,500
	Time Clock +	\$0	\$0
	Xerox	\$17,500	\$17,500
<b>6300</b>	<b>Supplies</b>	<b>\$96,000</b>	<b>\$96,000</b>
	Bank Charges	\$5,500	\$5,500
	Cleaning	\$15,000	\$15,000
	Educational	\$16,000	\$16,000
	Office	\$15,000	\$15,000
	Family Engagement	\$10,000	\$10,000
	Licensing	\$2,500	\$2,500
	Maintenance/Repairs (General)	\$5,000	\$5,000
	Projects	\$5,000	\$5,000
	Marketing	\$10,000	\$10,000
	Landscaping	\$5,000	\$5,000
	Playground	\$5,000	\$5,000
	Postage	\$2,000	\$2,000
	Technology		
	Educational	\$5,000	\$5,000
	Office	\$3,000	\$3,000
<b>6400</b>	<b>Other</b>	<b>\$33,300</b>	<b>\$33,300</b>
	Board	\$5,000	\$5,000
	Community Outreach/Partnerships	\$3,000	\$3,000
	Dues/Membership	\$3,000	\$3,000
	Bill.com	\$3,300	\$3,300
	Gusto	\$12,000	\$12,000
	Quickbooks	\$2,000	\$2,000
	Travel - Staff	\$5,000	\$5,000
<b>6600</b>	<b>Capital</b>	<b>\$0</b>	<b>\$0</b>
	<b>TOTAL EXPENSES</b>	<b>\$4,702,199</b>	<b>\$4,974,588</b>

<b>2122</b>	<b>Difference</b>	<b>-\$464,383</b>	<b>-\$736,772</b>
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