Case Study: **Contracts and Insurance**

**CASE STUDY NOTICE**
The following case study is designed to be instructive of the issues that should generally be addressed in the situation described; they are not an exhaustive list of actions for every similar situation faced by Extension employees. The particular facts of the situation will always dictate the appropriate response. Specific questions related to a particular fact pattern should be discussed with the proper Extension administrator(s).

**SITUATION:**

A 4-H Club in your county is conducting a method demonstration contest. The event will be held at the local high school, where the club has held events for many years. The school board is now requiring that all users provide a signed contract and proof of liability insurance. The club manager signs the contract, submits it to the school administrator, and then informs the Extension office that the contract has been signed and that proof of insurance is required before the event is held next week.

*Instructions: Using the above situation, consider and discuss the following questions:*

1. What is at risk for the organization and/or the individuals involved in this situation?
2. How would you suggest handling this situation, given the actions already taken?
3. What steps should be taken to prevent this situation from occurring?
4. When selecting locations for meetings and activities, what types of considerations must be taken into account?

*Immediate response:*

1. Ask if the school will rescind the contract and replace it with the contract that has been signed and approved by Texas AgriLife Extension Service Grants and Contracts.
2. Send the school a copy of the Texas AgriLife Extension Service Insurance Provisions Letter.
3. If the school will not allow first contract to be rescinded, the club/leader will be responsible for insurance coverage.

*Future solutions to situation:*

- Conduct club manager training on the proper procedures for facility rentals and contracts associated with those rentals.