

2024

ANNUAL REPORT

The nation's leading insurer serving
27,000 **501(c)(3) nonprofits**



All NIA Organizations are Proudly 501(c)(3) Nonprofits

853

New members
welcomed in 2024

26,970

Members as of
12.31.2024

“NIA lives by its motto
'A head for insurance.
A heart for nonprofits.'
The nuances of nonprofit
work can make insurance
difficult to secure, so
we're beyond thankful
NIA has a heart for
small nonprofits like ours.”

Nito's Wings
Oroville, CA
nitoswings.org

NIA's mission is to provide 501(c)(3) nonprofit organizations with access to quality liability and property insurance at a fair and equitable price.

NIA tailors coverage to meet the specialized needs of the nonprofit sector and assists members in developing and implementing successful risk management programs.

Four distinct 501(c)(3) nonprofits comprise Nonprofits Insurance Alliance:



NIAC, founded in 1989,
provides liability and property
coverage to 501(c)(3)
nonprofits in California.



NANI, founded in 2000,
provides property reinsurance.



ANI, founded in 2000, provides
liability insurance to 501(c)(3)
nonprofits with locations
outside California.



AMS, founded in 2000, provides
staff, services, and support to
NIAC, ANI, and NANI.

Photos on the Cover:

Top:
Triumph Cancer Foundation
Sacramento, CA
triumphfound.org

Left:
Chicago Refugee Coalition
Chicago, IL
chicagorefugee.org

Bottom Right:
Merrick-Moore Community Development Corporation
Durham, NC
merrickmoorecdc.org

Message from the President and Chairs



Pamela E. Davis
Founder, President & CEO
ANI, NIAC, NANI & AMS



Tammy Wilson
Chair of NIAC, NANI & AMS



Ann Marie Gothard
Chair of ANI

In last year's annual report, we wrote about how dramatically the world has changed in the last 35 years, and how the work of nonprofits has become more difficult and complex. The challenges continued for nonprofits in 2024.

There's been a lot of justified concern in the last several years about the cost and availability of insurance. It's not just homeowners who can't get insurance; many churches, private schools, and camps can't get basic coverages. The changing climate, plaintiff attorneys, jury conduct, and the insurance industry are all contributing to this uncertainty, and it's hurting many direct-service nonprofits significantly. We're not going to pretend it also hasn't been a difficult time for NIA.

Challenges for nonprofits

The surprise of COVID-19 produced many unanticipated and late-emerging claims, particularly because of the shutdowns in California. Employment claims against California nonprofits exploded.

Interest rate increases have caused the value of bond portfolios to decline. NIA's portfolio was no exception. Simultaneously, the costs to repair injury to people or damage to property are much higher. Nonprofits care for many vulnerable populations, including seniors, those with disabilities, and others with multiple health conditions that may be exacerbated with even a low-impact injury.

As more and more commercial insurers have chosen to stop covering nonprofits altogether, NIA has seen a period of dramatic and unprecedented growth — doubling in size over the last five years, as we've served as the safety net for many nonprofits without other insurance options. This rapid growth has come with its own set of challenges.

Changes in the judicial system

Changes in the judicial system have resulted in jury awards against nonprofits that are unrelated to fault. Everyone is sympathetic to a child who has been injured. But that has morphed into a judicial system that requires nonprofits to guarantee that every child and client will always be kept safe in an imperfect system. Politicians are unwilling to admit that the state system is imperfect and instead allow nonprofits to be scapegoated when a child is injured, through no fault of any individual nonprofit.

This problem became so egregious that we tried to change the law in California this year. Plaintiff attorneys, who are large donors to politicians, used their considerable clout to kill that effort. Their unwillingness to consider even minor procedural changes to the law that would level the playing field for nonprofits forced us to make the gut-wrenching decision to nonrenew California foster family agencies (FFAs) for certain coverages.

We talk more about the efforts to allow the California foster family system to be insurable in a separate section of this report. However, it is important to underscore the point that, if there is a lesson for all nonprofits across the nation (FFAs or otherwise) to learn from this episode, it is that plaintiff attorneys donate heavily to political campaigns — and they expect payback when their jackpot-style jury awards are threatened. If this problem continues unchecked, the ability for **any** insurer to provide affordable liability insurance to those providing essential services to vulnerable populations is uncertain.

Because of all this, NIA is posting a loss for the second year in a row. The many targeted changes we have made to underwriting, limits offered, and pricing are having

Message from the President and the Chairs (continued)

the desired effect on current business, and loss trends are favorable. However, like many in this industry, we needed to add significantly to our reserves this year in order to account for claims development in prior accident years. A financial overview follows this message.

Make no mistake, when premiums need to rise to pay for outrageous claim amounts, nonprofits will need to spend more of their precious resources for insurance, instead of using those funds to deliver on their missions and improve their communities.

Plaintiff attorneys claim that juries need to award huge amounts against nonprofits to “teach them a lesson” to take better care of their clients. Nothing could be farther from the truth. If anything, these awards drain money from the system instead of allowing it to be used to care for more families and children.

Fair and equitable pricing

Nonprofits often wonder why we must increase premiums. As a reminder: We are 501(c)(3) nonprofit insurers. We do not have shareholders or for-profit motivation. Our motivation is to provide the coverage nonprofits need at premiums they can afford — but that is determined by the claims we pay. Our pricing is established to be fair, based on all claims received.

Just because a specific nonprofit hasn’t had a claim, it doesn’t mean that their chances of ever having a claim are reduced. NIA balances overall risk, without ever knowing who is going to have a claim. Given the judicial climate, following best practices and doing everything correctly are no longer the protections they once were for nonprofits.

“When rate increases become necessary, we are doing what is required to be strong for our members, while balancing the fact that claims now cost more.”

When rate increases become necessary, we are doing what is required to be strong for our members, while balancing the fact that claims now cost more. The premiums we used to charge, and the limits of coverage we offered, simply no longer fit the requirements of today’s realities.

Policy administration system teething

In December, we had to temporarily pause new business submissions and quotes, and place focus on renewals. Even then, we were not timely with many of our January and February renewals, and we let you down.

This was a stumble which resulted from teething issues with our new policy administration system, Mission First. This is a sophisticated system, and it will ultimately improve turnaround times, provide much-needed automation to many manual processes, and support NIA’s unprecedented growth.

We are grateful to our members and brokers for their support as we went through growing pains with a complicated launch of this technology platform.

If everything so far seems like a lot of doom and gloom, here’s the part with the sunrise

NIA’s mission is to protect nonprofits today, while simultaneously growing a strong organization for the future. A recent report indicated [74% of insurance companies are in a technical deficit](#).

NIA is not.

Over the past several years, we have worked through the painful process to completely replace our 25-year-old legacy policy administration system with a new, robust system that will enable us to retrieve and analyze complex data and manage risk with far greater precision. We have begun to see the results of underwriting changes recently implemented based on more granular data, and these systems will continue to improve that.

While we know that structural changes in our world are going to continue to put pressure on the cost of insurance, you can be sure that we will work diligently to do our best to match the actual cost with the risk presented. And we will continue providing technical assistance to nonprofit associations across the country working on legislative fixes to level the playing field for nonprofits.

Message from the President and the Chairs (continued)

One of the reasons we have been able to get through all the challenges this year is because NIA staff cares about the mission — and about each other. Our dedicated, passionate, and talented team has done the difficult, costly, and necessary work to prepare for the future, and to be there for nonprofits in these times of uncertainty.

Also, insurance brokers and their nonprofit clients have been patient and understanding with us, despite the operational challenges, the reduction in available limits, and rate increases. We appreciate that they understand that we are taking necessary steps to secure the insurance future of the nonprofit sector.

These insurance changes have hurt many of our cherished, long-term members. While these changes have been necessary in light of larger social and environmental changes, we will continue to do what we can to limit disruption.

"Our dedicated, passionate, and talented team has done the difficult, costly, and necessary work to prepare for the future, and to be there for nonprofits in these times of uncertainty."

We respect and value the difficult work undertaken by our members to provide essential services to their communities and will continue to do our best to deserve their continued confidence in NIA.

In a world where insurance options for nonprofits continue to evaporate, it is a privilege beyond measure to help tens of thousands of nonprofits realize their missions by providing them with this small but critical component. This is what we do. We look forward to doing it for decades to come.



Pamela E. Davis
Founder, President & CEO
ANI, NIAC, NANI & AMS



Tammy Wilson
Chair of NIAC, NANI & AMS



Ann Marie Gothard
Chair of ANI

NIA 2024 Results

Combined Results for All Companies

Nonprofits Insurance Alliance (NIA) welcomed 853 new members, renewed 94 percent of its existing members, and ended the year with 26,970 members. Gross written premium for NIA totaled \$345.8 million.

At year's end, NIA's balance sheet showed a total surplus of \$177.9 million, total assets of \$1 billion, and \$45.5 million in net loss. No dividend was declared in 2024.

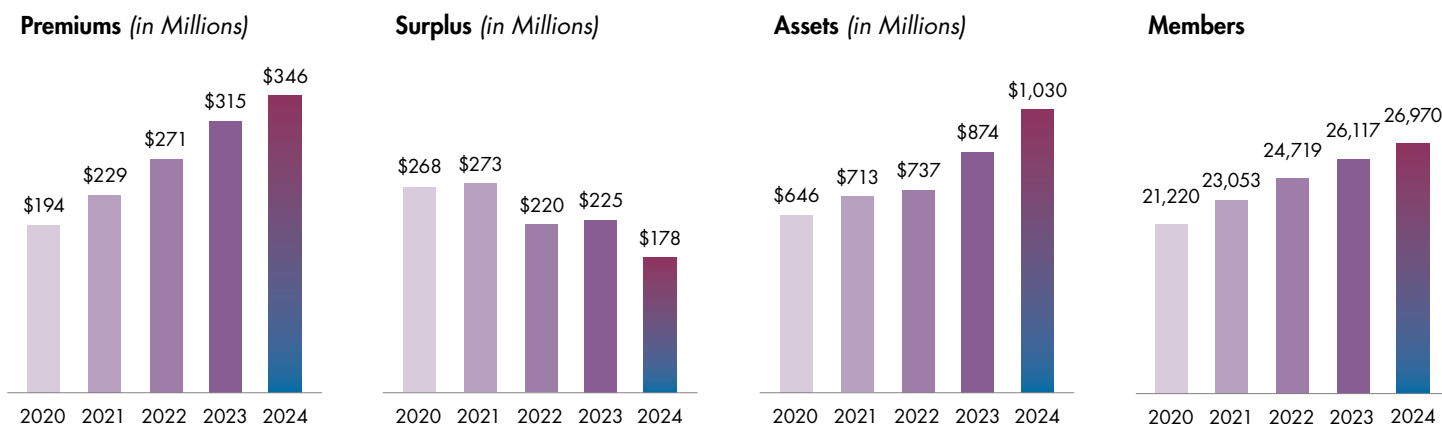
(\$ in Millions)	2024	2023	2022
Gross written premium	\$345.8	\$314.7	\$270.7
Net income (loss)*	\$-45.5	\$-10.8	\$2.8
Total assets	\$1,030.1	\$874.3	\$736.9
Cash and invested assets	\$535.6	\$505.0	\$444.1
Loss reserves (including LAE)	\$647.4	\$452.6	\$365.0
Total equity (surplus)	\$177.9	\$225.2	\$219.9
Policies in force	89,763	87,410	82,386
Reported Claims			
Business Auto	2,837	3,035	2,973
Commercial General Liability	1,451	1,342	1,245
Directors & Officers Liability (with & without EPLI)	965	809	743
Improper Sexual Conduct and Physical Abuse Liability	299	361	332
Property**	689	949	811
Social Service Professional Liability	198	209	247
Umbrella Liability***	58	22	14
Total Claims Reported to NIA	6,497	6,727	6,365

*Effective 2024, the values on this line now reflect net income after change unrealized gains (losses) in equity investments.

**Includes property claims handled for NIA's companion program.

***For 2024, a portion of the increase relates to changed reporting requirements by reinsurers.

A copy of NIA's complete audited financials, as well as separate financials for ANI and NIAC, can be found at insurancefornonprofits.org



California FFAs and AB 2496

A short history of AB 2496: Why NIAC determined California foster family agencies are uninsurable

This annual report would not be complete without a summary discussion of the advocacy efforts NIA undertook to be able to continue insuring California foster family agencies (FFAs).

Starting in 2019, major commercial insurers nonrenewed coverage for FFAs in California. By late 2023, filling the gap left by those commercial carriers, NIAC insured 90% of the FFAs in California.

While NIAC had successfully insured California FFAs since 1987, we quickly identified four problems in California's judicial system that make California FFAs uninsurable:

1. **FFAs are held responsible for the unforeseeable criminal acts of others.** FFAs are being held liable for harm that comes to children in foster homes, even when the FFA has fulfilled all of its requirements to oversee the care of that child.
2. **FFAs that substantially meet their responsibilities under state licensing laws are often held accountable to a different standard by the courts.** FFAs are being held liable by juries and judges, creating standards and expectations that do not appear in the law or regulations.
3. **FFAs are held responsible for the negligence of counties.** Via their contracts, many counties required FFAs to defend and indemnify the counties, even if it was the fault of the county that caused the injury to the child. (This has been temporarily fixed with the version of AB 2496 that passed, which renders indemnity-shifting provisions in these contracts unenforceable.)

"By late 2023, filling the gap left by commercial carriers, NIAC insured 90% of the FFAs in California."



4. **Plaintiff attorneys are making huge, time-limited monetary demands against FFAs and the insurers that protect them, before sufficient facts are available to evaluate these claims.** These demands are typically 15-30 days, and that is not enough time to get all the records on the case (including medical and county records) necessary to evaluate the claim. If insurers do not agree to pay the policy limits within this arbitrary timeframe, the insurer can be obligated to pay whatever amount the jury awards — no matter that it may be many times the insurer's policy limits.

California FFAs and AB 2496 (continued)

Rather than immediately nonrenewing the California FFAs and quietly leaving the market like the commercial carriers did from 2019 through 2023, NIAC tried to correct these four specific problems in California's judicial system by sponsoring the original version of a bill called [AB 2496](#), The Foster Family Agency Accountability Act.

"As a nonprofit, NIAC's obligation is to the community of all the nonprofits who rely on us."

None of the provisions in AB 2496 would have limited the liability for any California FFA whose negligence and wrongdoing caused harm to a child. AB 2496 would have required plaintiff attorneys to demonstrate that the negligence or wrongdoing by an FFA, rather than the unforeseeable wrongful or criminal acts of others, caused harm to a child.

In the end, elected officials gutted all but the provision prohibiting counties from shifting liability to FFAs, and a revised version of AB 2496 was signed into law in September of 2024. This version of AB 2496 included provisions to streamline the transfer of foster homes under the supervision of FFAs to the already overburdened counties.

As a nonprofit, NIAC's obligation is to the community of all the nonprofits who rely on us, and the claims from California FFAs were negatively affecting the entire pool — with the potential to significantly increase the premiums of all members and jeopardize reinsurance arrangements.

NIAC simply could not shirk our responsibility to our 12,000 other members and continue to insure 143 FFAs for all types of coverage.

Therefore, in September of 2024, after serious discussions and with heavy hearts, NIAC's board of directors determined that it would have to nonrenew coverages for Social Services Professional Liability (SSP), Improper Sexual Conduct and Physical Abuse Liability (ISCPA), and Directors & Officers Liability (D&O) for all California foster family agencies.

For 35 years, NIA has been able to consistently insure FFAs for their own negligence and wrongdoing. But things have changed. Once again: **Given the judicial climate, following best practices and doing everything correctly are no longer the protections they once were for nonprofits.**

Board Members

NIA is guided by boards of directors, whose members are selected by majority vote of the nonprofits it insures. They represent the broad diversity of NIA's member organizations and industry professionals. All are united by their commitment to serving the needs of the nonprofit sector. This list shows the board composition as of April 4, 2025.

● ANI ● NIAC ● AMS ● NANI



● ● ● ● ●
William (Bill) Banton, Jr.
Supervising Attorney for
Healthcare Liability Group
Marshall Dennehey
Philadelphia, PA



● ● ● ● ●
Ahndrea Blue
President & CEO
Making A Difference Foundation
Tacoma, WA



● ● ● ● ●
Norris W. Clark
Financial and
Regulatory Specialist
Troutman Pepper Locke LLP
Los Angeles, CA



● ● ● ● ●
Pamela E. Davis
President & CEO
ANI, NIAC, AMS & NANI
Santa Cruz, CA



● ● ● ● ●
Carolyn Day
Executive Director
Black United Fund of Illinois, Inc.
(BUFI)
Chicago, IL



● ● ● ● ●
Danilo Garcia
Vice Chair of NIAC
Chief Financial Officer
Alliance for Children's Rights
Los Angeles, CA



● ● ● ● ●
Debra Gore
Former President & CEO
Greenlining Institute
Oakland, CA



● ● ● ● ●
Ann Marie Gothard
Chair of ANI
Vice Chair of NANI & AMS
Communications Consultant
New York, NY



● ● ● ● ●
S. Orlene Grant
President and CEO
Juanita C. Grant
Foundation, Inc. (JCGF)
Prince George's County, MD



● ● ● ● ●
Edward G. Haik
Board member of
Surfrider Spirit Sessions
Kailua, HI



● ● ● ● ●
Robert (Ken) Hedrick, Jr.
Retired
Public Finance Professional
Palm Springs, CA



● ● ● ● ●
Rachel Katz
Secretary of NIAC
Finance and Administration
Director
California Pan-Ethnic Health
Network (CPEHN)
Berkeley, CA

Board Members

Continued from page 9

● ANI ● NIAC ● AMS ● NANI



Martha Marcon
Partner, *Retired*
KPMG LLP
Glendale, CA



Daniel S. Maydeck
President & CEO
Haynes Family of Programs, Inc.
La Verne, CA



Sarah Newkirk
Executive Director
Land Trust of
Santa Cruz County
Santa Cruz, CA



Shaun Powers
Secretary of ANI, AMS & NANI
Chief Financial Officer
Center for Developmentally
Disabled (CDD)
Kansas City, MO



Gregory C. Scott
President & CEO
Community Action Partnership
of Orange County
Garden Grove, CA



Michael Shaver
Vice Chair of ANI
President & CEO
Brightpoint
Chicago, IL



Jonathan Solomons
Chief Financial Officer
Citizens Acting Together
Can Help, Inc. (CATCH)
Philadelphia, PA



Trudy Soucoup
Chief Executive Officer
Homes First
Lacey, WA



Dave Tatlock
Assistant Secretary
of ANI & NANI
Managing Director
Strategic Risk Solutions
Burlington, VT



Christine Westbrook
Chief Financial Officer
Goodwill Central Coast
Salinas, CA



Tammy Wilson
Chair of NIAC, NANI & AMS
Chief Executive Officer
Oak Grove Center
Murrieta, CA

Senior Leadership Team

NIA's committed Senior Leadership team manages a workforce distributed across 33 states to swiftly and efficiently meet the needs of members and brokers.

At NIA, the C-suite is 50 percent female. Next-tier leadership — management levels and leads — is 71 percent female.

Overall staff composition is 30 percent male and 70 percent female.

"I have specialized in insuring nonprofit agencies for over 20 years. NIA has always been my go-to carrier for the broadest coverage and best risk management resources. The value-added member services are much more comprehensive than any of my other carriers and their claims services are quick and fair."

Denise Billings

Anixter & Oser
Insurance Brokers
Novato, CA



Pamela E. Davis

Founder, President & CEO



Carlos Ballesteros

Chief Financial Officer
(CFO) and Treasurer



Melissa Dalske

Chief Experience Officer
(CXO)



Dave Gibson

Chief Claims Officer
(CCO)



Dusti McKeown

Chief Underwriting Officer
(CUO)



Chris Reed

Chief Risk Officer (CRO)
and General Counsel



Jean-Francois Roy

Chief Information Officer
(CIO) and Chief Information
Security Officer (CISO)



Starr Thompson

Chief People and
Administrative Officer (CPAO)

Coverages

Nonprofits have insurance needs that are very specific to their operations. NIA takes the time to understand each nonprofit's specific operations and provide insurance coverage that's tailored to match — at a price that is fair and equitable.

NIA offers members the following coverages:

- Commercial General Liability
 - Damage to Property of Others
 - Employee Benefits Liability
 - Liquor Liability
 - Communicable Disease
- Improper Sexual Conduct and Physical Abuse Liability
- Social Service Professional Liability
- Board & Executive Liability
 - Directors & Officers Liability
 - Fiduciary Liability
 - Employment Practices Liability
- Business Auto Liability
- Non-owned Auto Physical Damage
 - Reimbursement for employee vehicles (CA members)
- Non-owned/Hired Auto Liability
- NIAC Property Coverage
 - Inland Marine
 - Employee/Volunteer Dishonesty
- ANI Property Coverage written through SRCS Elite
 - Inland Marine
 - Employee/Volunteer Dishonesty
- Workplace Violence/Crisis Incident/Outside Aggressor
- Participant/Volunteer Accident Coverage written through QBE
- Umbrella Liability

94%

of Members Renew
Year over Year



"It's been a pleasure working with Nonprofits Insurance Alliance. They provide great coverage at reasonable prices. A great organization to work with."

Anson Wong
Folsom Lake Symphony
folsomlakesymphony.org



FEAST Inc.

Los Angeles, CA
feastforall.org

FEAST is a nonprofit with a mission to promote wellness and enrich lives through the power of healthy food and human connection.

FEAST was created to help families struggling with the effects of living in a broken food system live healthier, more nourishing lives.

They do that by providing a comprehensive, 16-week wellness program that combines Food Education, Access to healthy foods, and group Support, Together (FEAST).

United Strings of Color

Cary, NC

unitedstringsofcolor.org

United Strings of Color was started as a project to address racial disparity in classical music through music education and community engagement.

They provide educational programs to encourage people of all skill levels to learn and enjoy playing classical music on stringed instruments.

Through their Social Justice Concerts, called Violin Vigils, they give a voice to young people wanting to impact societal change.





Cast It Forward

Richfield, OH

castitforwardfishing.com

Cast It Forward is a nonprofit organization passionate about sharing the joy, love, and benefits of fishing and the awe-inspiring outdoors.

Their mission includes offering fishing opportunities on Lake Erie and inland waters to kids, veterans, and seniors who otherwise would not have the opportunity.

These experiences allow people the chance to connect with nature, themselves, and others.

Heart to Heart International

Lenexa, KS
hearttoheart.org

Dedicated to improving health access, Heart to Heart International serves people in need around the globe, focusing on under-resourced communities and disaster situations. They respond to disasters, ship medical aid, and distribute essential supplies.

Their recent work spans from relief work after hurricanes Milton and Helene in the U.S. Southeast to wildfire support in California.

Since 1992, they have provided over \$3.2 billion in aid to 130 countries.



Member Resources

All NIA members receive access to a variety of free and deeply discounted risk management tools, services, and resources — all designed to help them save money, operate more efficiently, avoid disruptive claims, protect their assets, and reduce the potential for harm that may impact their operations.

Check out all the [free and discounted resources](#) members enjoy.

4,521

Free Employment and Risk Management Consultations

10,750

Employees and Volunteers Trained

\$4.7M

Saved by Members on Risk Management Services

Risk Management Resources

A collection of tools and services that can help NIA members with the day-to-day business of running a nonprofit, whether they're long-established or just getting started.

Members can access resources for risk management consulting, abuse prevention, screening services, compliance training, and much more.

Risk Management Consulting

Personalized assistance to help members identify and address key risks across their organization.

Consulting services are customized to meet a nonprofit's specific needs and include tools, templates, and resources for them to integrate into their risk management protocols.

Risk Management Reference Library

A free library of online risk management reference materials across a variety of topics, which includes booklets, sample forms, policies, checklists, templates, guidelines, and more.

Education/Training

A collection of online training programs and webinars. These can help nonprofits develop inclusion, ethics, and respect as professional competencies, be compliant with mandated training, prevent harassment, ensure their drivers are operating vehicles safely, and more.

PurchasingPoint®

A group purchasing program, which leverages nonprofits' collective buying power to negotiate discounts on the products and services they use most. Hundreds of participating vendors offer significant discounts on goods and services from a wide range of categories such as office supplies and furniture, business services, shipping, facility maintenance supplies, technology, food, rental cars, and much more.

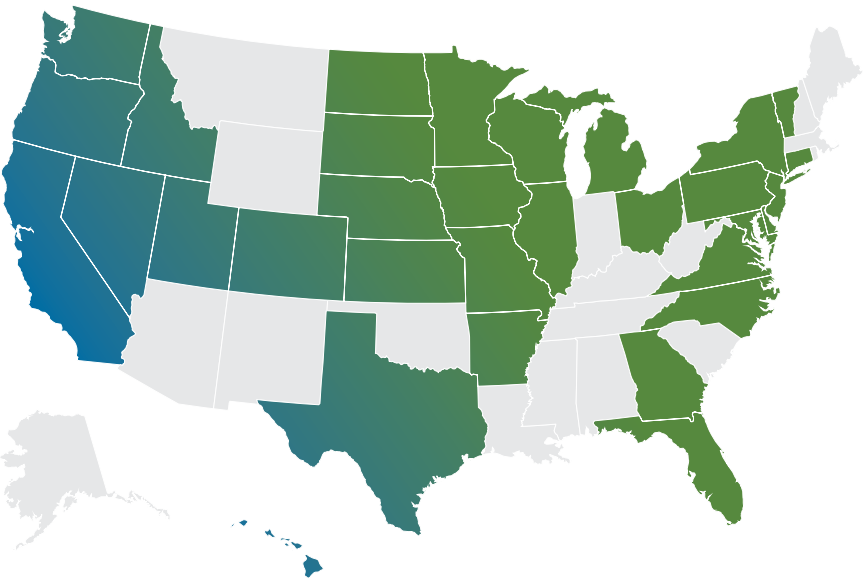


"We are new to NIA this year and have been blown away by their customer care, value-added services, and at-the-ready help and assistance."

Christine Daniels
Good News Project
Wausau, WI
goodnewswi.com

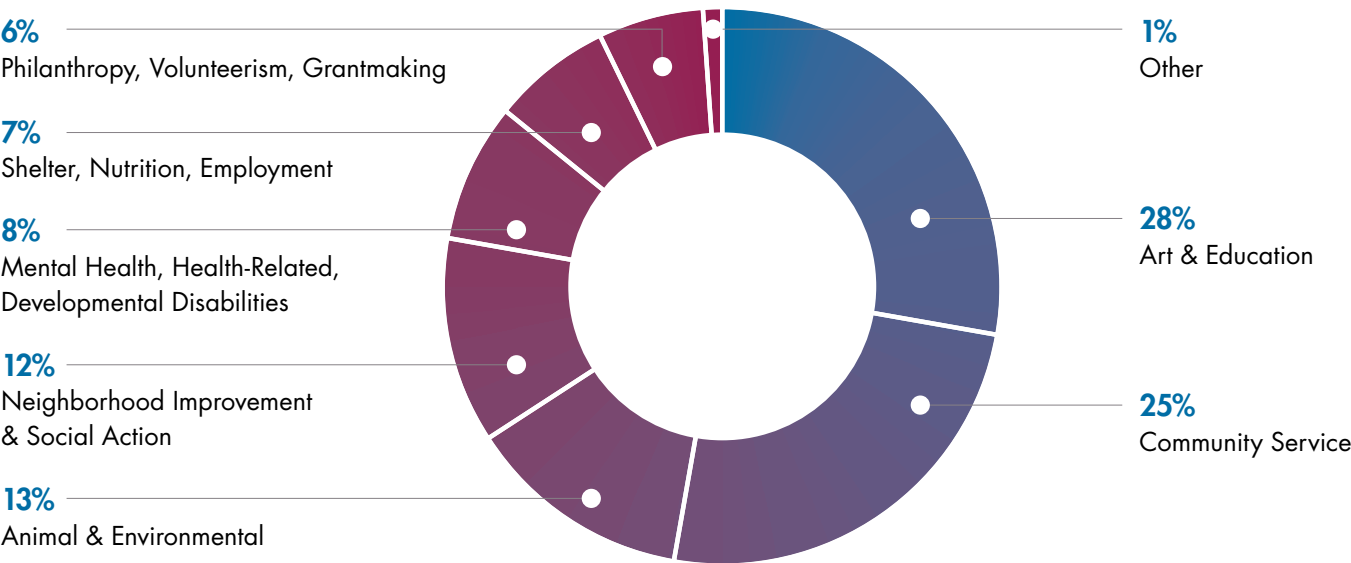
Nonprofits Insurance Alliance

NIA provides coverages in 32 states and the District of Columbia



- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Florida
- Georgia
- Hawaii
- Idaho
- Illinois
- Iowa
- Kansas
- Maryland
- Michigan
- Minnesota
- Missouri
- Nebraska
- Nevada
- New Jersey
- New York
- North Carolina
- North Dakota
- Ohio
- Oregon
- Pennsylvania
- South Dakota
- Texas
- Utah
- Vermont
- Virginia
- Washington
- Wisconsin

Members in 2024



27,000

Nonprofits Trust NIA
for Their Insurance

35+

Years Insuring Nonprofits
with Fair and Equitable Pricing

94%

Renew with NIA
Year After Year

\$4.6M

Saved by Nonprofits in
2024 by Using Valuable
NIA Member Resources



paws4people
Wilmington, NC
paws4people.org



The insurance policy, not this annual report, forms the contract between the insured and the insurance carrier. The policy may contain limits, exclusions, and limitations that are not disclosed in this annual report. Coverages may differ by state.

Nonprofits Insurance Alliance® is the tradename for a group of insurers — NIAC, ANI, and NANI — all of whom are public-benefit 501(c)(3) nonprofits and rated A (Excellent) by AM Best. All NIA organizations are administered by Alliance Member Services® (AMS), also a 501(c)(3) nonprofit. © AMS. All rights reserved.