

Religious Organizations: What Could Go Wrong?

A former employee of a religious youth center charged sexual harassment against the center and its Executive Director. The plaintiff asserted numerous instances of verbal and quid pro quo sexual harassment. The Executive Director admitted he purchased gifts for the plaintiff and co-signed on a car lease despite being married. Early resolution was sought and the matter settled for **\$75,000**, with another **\$35,000** spent in costs of defense.

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A former employee of a religious social service organization alleged retaliatory discharge for raising concerns regarding potential misuse of funds by various individuals at the insured. The matter settled at the demand stage for **\$20,000**.

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A part-time clerical employee at a church filed an administrative charge for alleged sex discrimination, harassment and retaliation by a minister. While the insured took action as soon as it learned of the claimant's allegations, the insured wanted to settle early on to avoid bad publicity. The matter settled at mediation for **\$160,000**. Multiple insurers contributed to the settlement, with the Directors' & Officers' portion totaling **\$62,500**. Costs of defense on the D&O policy were **\$25,000**.

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A former Executive Director of a religious organization filed suit for alleged sexual orientation discrimination. The matter settled for **\$90,000**, **\$80,000** of which was paid by the D&O policy. Costs of defense were **\$15,900**.



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*Rating affirmed March 20, 2015

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