

Recommended Insurance Requirements

When dealing with another party, you want to make sure that they are properly insured. There are certain types of insurance coverage, and minimum limits of such that you should confirm are in place prior to entering the relationship. This can be verified by checking the certificate of insurance when received. For assistance in doing that, please refer to the document *How to Read a Certificate of Insurance*. Also, you should have the other insurance state that it is primary and non-contributory.

The following are examples of insurance requirements for the following types of contracts:

1. Construction/Renovation Projects
2. Vendor Agreements
3. School Bus Services
4. Consulting and Professional Services Agreements (for example: architects, engineers, environmental consultants, etc.)
5. Short-Term Lease Agreements (for those parties using school premises/buildings for special events).

Note: The size and scope of the contract and the potential exposure will dictate the minimum level of coverage required. The suggested minimum limit is \$1,000,000.

Construction/Renovation Projects

Insurance Requirements	Minimum Limits	Notes
<p>Commercial General Liability</p> <p>ISO Form CG0001 or a Substitute Form Providing Equivalent Liability Coverage</p> <p>ISO Endorsement CG2010 – See Notes</p> <p>ISO Endorsement CG2037 – See Notes</p>	<p>\$1,000,000 Each Occurrence. See Tab 1 for Full Description Of Required Limits.</p> <p>\$2,000,000 General Aggregate</p> <p>\$2,000,000 Products/Completed Operations Aggregate</p>	<p>CGL must include coverage for liability arising from products/completed operations and liability assumed under an insured contract.</p> <p>If CGL insurance has a general aggregate limit then ISO Endorsement CG2503 (03/97 edition) or its equivalent should be added. The Designated Construction Project(s) General Aggregate Limit must be maintained for the duration of the agreement or longer, if required and so state in the contract. The size and scope of the contract and the potential exposure will dictate the minimum level of coverage required.</p> <p>The designated construction project(s) (per project aggregate) general aggregate and the products/ completed operations aggregate should be twice the minimum required each occurrence limit.</p> <p><i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers should be included as an additional insured using ISO additional insured Endorsement CG2010 and CG2037 (completed operations) or a substitute providing equivalent coverage.</p> <p>This coverage should include ISO Endorsement CG2404 (or the equivalent) Waiver of Transfer of Rights of Recovery Against Others to Us.</p> <p>There should be no Endorsement or modification of the CGL limiting the scope of coverage for liability assumed under contract or liability arising from pollution, explosion, collapse, underground property damage, or damage to the work.</p> <p>This insurance shall apply as primary insurance/non-contributory with respect to any other insurance or self-insurance available to <i>[Name of School]</i>.</p>
<p>Business Automobile Coverage</p> <p>ISO Form CA0001 or a Substitute Form Providing Equivalent Liability Coverage</p> <p>ISO Endorsement CA9948 – See Notes</p> <p>ISO Endorsement MCS90 – See Notes</p>	<p>\$1,000,000 Each Accident Limit for Bodily Injury and Property Damage</p>	<p>Coverage must include all owned, non-owned, and hired vehicles and, where applicable, Personal Injury Protection.</p> <p>If necessary, the policy shall be endorsed to provide Contractual Liability coverage equivalent to that provided in the 1990 and later editions of ISO form CA0001.</p> <p>Pollution Liability coverage equivalent to that provided by ISO Pollution Liability – Broadened Coverage for Autos Endorsement CA9948 and the Motor Carrier Act Endorsement MCS90 shall be included if the contractor is responsible for transporting and disposing of hazardous materials.</p> <p>Contract should state that the Contractor waives all rights of subrogation against <i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers for recovery of damages to the extent these damages are covered by the Business Auto Liability insurance [or under any applicable Auto Physical Damage coverage.</p>

Insurance Requirements	Minimum Limits	Notes
Workers' Compensation (Statutory) and Employers' Liability	Coverage A – Workers' Compensation, in Compliance with the Laws of the State of <i>[Your State]</i> ; and Coverage B – Employers' Liability, \$500,000/\$500,000/ \$500,000	<p>This coverage must include statutory coverage for states in which employees are engaging in work. If there is an exposure of injury to Contractors employees under any federal acts – coverage shall be included for such injuries or claims.</p> <p>Contract should state that the Contractor waives all rights of subrogation against <i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers for recovery of damages to the extent these damages are covered by workers' compensation and employers liability insurance. The NCCI Endorsement to use for this coverage is WC000313 Waiver of Our Right to Recover from Others.</p>
Umbrella Liability	Varies by Project	Can be used if contract requires limits higher than \$1,000,000.
Professional Liability (Design Errors and Omissions Liability)	\$1,000,000 Per Claim Per Policy Year	Required if the contractor is performing any type of design/build for a particular project. <i>[Name of School]</i> may require proof that this coverage be provided for up to three (3) years after project completion if written on a claims-made basis.
Builders' Risk Insurance/ Installation Floater – Completed Value Basis Property	Hard Construction Values of Project	Required on most construction projects. Two options are available: 1) Contractor provides coverage; or <i>[Name of School]</i> provides coverage. See Appendix (Tab 1). One of these options must be included in the contract/bid package. For assistance in determining which option to use, please contact <i>[Department Responsible for Insurance]</i> .
Pollution Liability	Varies By Project	<p>Required if the work involves the handling of hazardous materials or could exasperate an environmental hazard. Can be obtained through the Contractors' General Liability coverage by including the Limited Pollution Liability Extension ISO Endorsement CG 2415 (10/01 Edition). However, a separate contractors' pollution legal liability policy is also acceptable. Contract should state that <i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers should be included as an additional insured with respects to liability and defense of suits arising out of activities performed by or on behalf of contractor, including Completed Operations.</p> <p><i>[Name of School]</i> shall require the contractor provide proof of coverage for up to three (3) years after the project has been completed if written on a claims-made basis.</p>
<p>Note: Contractors are required to ensure that all subcontractors are insured under the contractors' policies. All subcontractors and sub-tier contractors are required to comply with the coverage and limit requirements outlined in this document.</p>		

Vendor Agreements

Insurance Requirements	Minimum Limits	Notes
<p>Commercial General Liability</p> <p>ISO Form CG0001 (12/04 Edition) or its Equivalent</p> <p>ISO Endorsement CG2026 – See Notes</p>	<p>\$1,000,000 Per Occurrence Bodily Injury and Property Damage</p> <p>\$2,000,000 General Aggregate</p> <p>\$2,000,000 Products/Completed Operations Aggregate</p>	<p>These insurance requirements are for vendors (those individuals or businesses who sell their product to others while on <i>[Name of School]</i> premises). Insurance must be maintained for the duration the vendor is on school premises.</p> <p>If CGL insurance has a general aggregate limit then ISO Endorsement CG2504 (03/97 edition) or its equivalent should be added. The Designated Location(s) General Aggregate Limit must be maintained for the duration of the agreement or longer, if required and so state in the contract. The size and scope of the contract and the potential exposure will dictate the minimum level of coverage required.</p> <p>The general aggregate and the products/completed operations aggregate should be twice the minimum required occurrence limit.</p> <p><i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers should be included as an additional insured using ISO additional insured Endorsement CG2026 or a substitute providing equivalent coverage.</p> <p>This coverage should include ISO Endorsement CG2404 (or the equivalent) Waiver of Transfer of Rights of Recovery Against Others to Us.</p> <p>There should be no Endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract, or liability arising from pollution.</p> <p>This insurance shall apply as primary insurance with respect to any other insurance or self-insurance available to <i>[Name of School]</i>.</p>
<p>Business Automobile Coverage</p> <p>ISO Form CA0001 or a Substitute Form Providing Equivalent Coverage</p>	<p>\$1,000,000 Each Accident Limit for Bodily Injury and Property Damage</p>	<p>Coverage must include: All owned, non-owned, and hired vehicles and, where applicable, Personal Injury Protection.</p>
<p>Workers' Compensation (Statutory) and Employers' Liability</p>	<p>Coverage A, in Compliance With the Laws of the State of <i>[Your State]</i>; and Coverage B, \$500,000/\$500,000/\$500,000</p>	<p>This coverage must include statutory coverage for states in which employees are engaging in work.</p>
<p>Liquor Liability</p>	<p>\$1,000,000 Per Occurrence Bodily Injury and Property Damage</p> <p>\$1,000,000 Aggregate</p>	<p>If the vendor is operating a business that distributes, sells or serves alcoholic beverages or if their activities require a liquor license they should maintain Liquor Liability insurance and shall include <i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers as an additional insured.</p>
<p>Umbrella Liability</p>	<p>Varies by Project</p>	<p>Required if contract requires limits higher than \$1,000,000.</p>
<p>Note: Depending on the nature of the product being sold, higher limits of liability may be required.</p>		

School Bus Services

Insurance Requirements	Minimum Limits	Notes
<p>Commercial General Liability ISO Form CG0001 (12/04 Edition) or its Equivalent ISO Endorsement CG2026 – See Notes</p>	<p>\$1,000,000 Per Occurrence Bodily Injury and Property Damage \$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations Aggregate</p>	<p>These insurance requirements are for those that provide contracted or chartered student/employee transportation services. <i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers should be included as an additional insured using ISO Endorsement CG2026 or the equivalent.</p>
<p>Business Automobile Coverage ISO Form CA0001 or a Substitute Form Providing Equivalent Coverage</p>	<p>\$5,000,000 Each Accident Limit for Bodily Injury and Property Damage Limit May be Satisfied by an Umbrella/Excess Liability Policy</p>	<p>Coverage must include: All owned, non-owned, and hired vehicles and, where applicable, Personal Injury Protection.</p>
<p>Workers' Compensation (Statutory) and Employers' Liability</p>	<p>Coverage A, in Compliance With the Laws of the State of <i>[Your State]</i>; and Coverage B, \$500,000/\$500,000/\$500,000</p>	<p>This coverage must include statutory coverage for states in which employees are engaging in work.</p>

Consulting and Professional Services Agreements

Insurance Requirements	Minimum Limits	Notes
Commercial General Liability ISO Form CG0001 or its Equivalent	\$1,000,000 Per Occurrence Bodily Injury and Property Damage \$2,000,000 General Aggregate	Insurance must be maintained for the duration of the contract or longer if so stated in the contract. <i>The general aggregate should be twice the minimum required occurrence limit.</i>
Business Automobile Coverage ISO Form CA0001 or a Substitute Form Providing Equivalent Liability Coverage	\$1,000,000 Each Accident Limit for Bodily Injury and Property Damage	Coverage must include: All owned, non-owned, and hired vehicles and, where applicable, Personal Injury Protection.
Workers' Compensation (Statutory) and Employers' Liability	Coverage A, in Compliance With the Laws of the State of <i>[Your State]</i> ; and Coverage B, \$500,000/\$500,000/ \$500,000	This coverage must include statutory coverage for states in which employees are engaging in work.
Professional Liability Insurance	\$1,000,000 Per Claim/Loss \$2,000,000 Annual Aggregate The Scope of Work, Size of Contract and Potential for Loss May Require Higher Limits	Required whenever the service provider must be licensed by the State of <i>[your state]</i> and/or where the consultant's errors or allegations of errors in judgment, planning, design, etc., could result in an economic loss to <i>[Name of School]</i> . The policy should cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services in the Contract. <i>[Name of School]</i> shall require that the Consultant/Service Provider provide proof of coverage for up to three (3) years after the completion of the project if written on a claims-made basis.

Insurance Requirements	Minimum Limits	Notes
Professional Liability for IT Technology, including Cyber Risk	<p>\$1,000,000 Each Claim/Loss \$2,000,000 Aggregate</p> <p>For Contracts over \$500,000 Recommend:</p> <ul style="list-style-type: none"> • \$5,000,000 Each Claim/Loss • \$5,000,000 Aggregate 	<p>The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.</p> <p>In the event that the professional liability insurance required by the Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of three (3) years beginning at the time work under this Contract is completed.</p> <p>If such insurance is maintained on an occurrence form basis, Consultant should maintain such insurance for an additional period of one (1) year following termination of the Contract.</p> <p>If Consultant contends that any of the insurance it maintains pursuant to other sections of this clause satisfies this requirement (or otherwise insures the risks described in this section), then Consultant should provide proof of same.</p> <p>The insurance should provide coverage for the following risks</p> <ol style="list-style-type: none"> a. Liability arising from theft, dissemination and/or use of confidential information (a defined term including but not limited to bank account, credit card account, personal information such as name, address, social security numbers, etc., information) stored or transmitted in electronic form. b. Network Security Liability arising from the unauthorized access to, use of or tampering with computer systems including hacker attacks, inability of an authorized third party, to gain access to your services including denial of service, unless caused by a mechanical or electrical failure. c. Liability arising from the introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network or similar computer related property and the data, software, and programs thereon. <p>The contract should include a waiver of subrogation in favor of <i>[Name of School]</i>; and</p> <p><i>[Name of School]</i> and its <i>[Name of Governing Board]</i>, officers, employees, agents, and volunteers should be included as additional insureds with respect to liability arising out of the activities performed by, or on behalf of the Consultant.</p>

Short-Term Lease Agreements/Special Events

Insurance Requirements	Minimum Limits	Notes
Commercial General Liability ISO Form CG0001 or its Equivalent ISO Endorsement CG2011 – See Notes	\$1,000,000 Per Occurrence Bodily Injury and Property Damage	Contracts for lease of <i>[Name of School]</i> owned premises for special events normally require lessees to provide Commercial General Liability. <i>[Name of School]</i> and its <i>[Name of Governing Board]</i> , officers, employees, agents and volunteers are to be named as Additional Insured using ISO Endorsement CG2011 Additional Insured – Managers or Lessors of Premises or its equivalent.
Business Automobile Coverage	\$1,000,000 Each Accident Limit for Bodily Injury and Property Damage	Required when a vehicle will be used on the premises. Coverage must include: All owned, non-owned and hired vehicles and, where applicable, Personal Injury Protection.
Workers' Compensation (Statutory) and Employers' Liability	Coverage A, in Compliance With the Laws of the State of <i>[Your State]</i> ; and Coverage B, \$500,000/\$500,000/\$500,000	This coverage must include statutory coverage for states in which employees are engaging in work.