INSURANCE

1.0 PROCEDURE

Procedure defines insurance requirements for work performed on campus by a vendor in accordance with CSU Executive Order #849.

2.0 REQUIREMENTS

2.1 Insurance is required to protect the campus from the risk of financial loss through contracts. The requirement applies to suppliers and contractors performing work on campus. The primary contracts requiring insurance would be Public Works and Service Orders where the Supplier performs a service on campus.

2.2 Commencement of work: The Supplier/Contractor shall not commence work until a current and acceptable insurance certificate is in the hands of the buyer. The buyer shall not provide the Supplier/Contractor with the Purchase Order number until the insurance policy has been received and evaluated. Note a fax copy is acceptable for authorizing start of work in urgent situations.

3.0 INSURANCE CERTIFICATE

3.1 The Insurance Certificate shall be endorsed as follows:

Name the State of California, the Trustees of the California State University, the campus and the officers, employees, volunteers and agent of each of them as additional insured’s, except for professional liability and workers' compensation insurance.

3.2 The Insurer’s AM Best rating shall meet or exceed A-VII or equivalent. The buyer shall evaluate the Supplier/Contractor’s rating via the AM Best website.
(www.ambest.com). The rating shall be printed from the website and retained in the case file for future reference along with the Insurer’s Certificate of Insurance.

3.3 The Purchase Order (only if issued to the Supplier/Contractor) shall contain the following clause (Instead of including the full clause, the clause may be referenced by providing the URL from Procurement’s Website):

Contractor shall furnish to the University prior to the commencement of work an underwriter's endorsement with a certificate of insurance stating that the following is presently in effect for the Contractor:

Comprehensive or commercial form general liability insurance with minimum limits of $1,000,000 per occurrence, and $2,000,000 general aggregate; Employer Liability of $1,000,000; Business Automobile Liability: minimum limits for Owned, Scheduled, Non-Owned, or Hired Automobiles with a combined single limit of not less than $1,000,000 per Occurrence; Workers' Compensation: as required under California State Law.

All certificates of insurance issued to the University require the following:

Provide for thirty (30) days advance written notice to the University of any modification, change, or cancellation of any of the insurance coverage.
Provide for Acceptability of Insurers rating, AM Best - AVII or equivalent.

Name the State of California, the Trustees of the California State University, the campus and the officers, employees, volunteers and agent of each of them as additional insured’s, except for professional liability and workers' compensation insurance.

3.4 For Service Agreements, the hold harmless provision shall comply with the CSU General Provisions for Service Agreements as maintained in the Contract Resource Library. For Public Works Construction contracts, the hold harmless provision shall comply with the CSU Contract General Conditions maintained by Capital Planning, Design and Construction.
4.0 Hazardous Substance and Waste Removal Services INSURANCE REQUIREMENTS

4.1 This policy section applies to service contracts for the removal of hazardous materials and waste.

4.2 In the absence of a risk identification and evaluation, the following insurance limits and hold-harmless provisions are required:

**General Liability**: comprehensive or commercial form minimum limits coverage in the amount of $5,000,000 combined single limit bodily injury and property damage each occurrence, and a $10,000,000 aggregate, including premises/operations, personal injury, broad form property damage, products/completed operations, contractual liability, independent contractors and $500,000 fire legal liability. A Waiver of Subrogation is required.

**Environmental Impairment (Pollution) Liability**: coverage in the minimum amount of $5,000,000 combined single limit bodily injury and property damage each occurrence and $10,000,000 aggregate, including clean-up costs.

**Commercial Automobile Liability**: coverage is required in the minimum amount of $1,000,000 combined single limit bodily injury and property damage, including owned, non-owned and hired automobiles; should also include: Uninsured/Underinsured Motorists coverage in the minimum amount of $1,000,000.

**Pollution and/or Asbestos Pollution Liability and/or Errors and Omissions**

**Workers’ Compensation**: as required under California law.

In addition to above coverage noted under Contractor's auto liability, hazardous material transporter services must also have an MCS-90 endorsement and Sudden & Accidental Pollution Insurance.
 endorsement. The Sudden & Accidental Pollution Insurance must have minimum limits of $2,000,000 per occurrence, $2,000,000 total. A higher limit on the MS-90 endorsement required by law must be matched by the Sudden & Accidental Pollution insurance.

Note: Documentation shall be the same as for the Insurance Certificate in 3.0

4.3 The hold harmless provision shall comply with the CSU General Provisions for service Agreements as maintained in the Contract Resource Library.

5.0 Waiver Process

On occasion, there will be a need for a waiver from the provisions in Executive Order #849. Waiver requests shall be submitted to the Risk Management & EHS Office for approval. Submittals shall be via email with support information provided per request. No contracts are to be released or work authorized while waiting for Risk Management & EHS’s response. If approved, a copy of the approval shall be included with the Insurance paperwork in the case file.

6.0 Records Review

The Risk Management & EHS Office shall annually review Contracts & Procurement executed files for adherence to Executive Order #849 provisions. Those reviews shall be documented and any discrepancies sent to the Procurement Director for action.