



CHAPMAN UNIVERSITY  
RISK MANAGEMENT

# Certificate of Insurance Training 2023

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Office of the Executive Vice President / COO  
<http://www.chapman.edu/RiskMgmt/>

# Agenda

## Principals of Insurance Training Chapman University Insurance Requirements for Contractors and Vendors

- Risk and Risk Management
- Insurance
- Why is Insurance Required of Contractors and Vendors?
- Chapman University Requirements for Evidence of Insurance
- Special Program for Special Events
- Q & A

# Risk Management and Insurance

What is Risk?



# Risk vs. Opportunity



**POWERBALL**  
1 in 146,107,962



1 in 175,711,536



1 in 41,416,353

 **Pure vs. Speculative Risk**

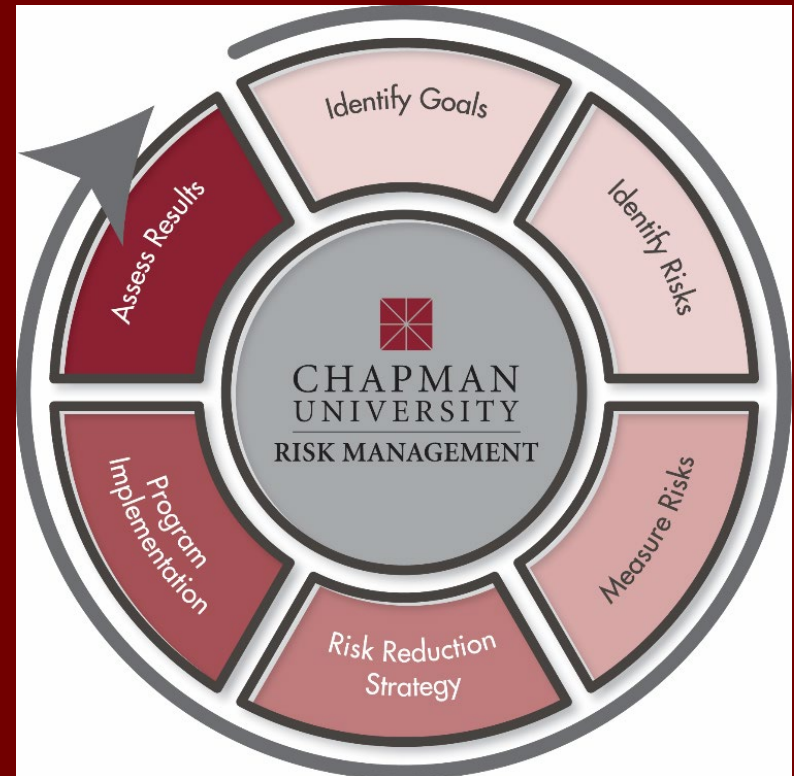


# What is Risk?

- **RISK** can be defined as “the threat or probability that an action or event, will (adversely or beneficially) affect an organization’s ability to achieve its objectives ”

# Risk Management

- **RISK MANAGEMENT** is the process of identifying, measuring, or assessing risk and developing strategies to control it.



# Risk Transfer

- Risk Transfer is a strategy to avoid the risk by transferring it to other parties.
  - **QUESTION:** What are some ways that Chapman University transfers risk to other parties?

# Contracts

- **IMPORTANT:** All business relationships with outside parties should be fully documented by a contract or purchase order.
  - All contracts must be reviewed and approved by Legal Affairs and signed by the EVP/Chief Operating Officer
  - When using a Purchase Order, the Chapman University standard Purchase Order is required. **This is for products, not services.**

# Indemnification

- **Indemnity:** To restore the loss victim to its position prior to the loss occurring.
- **Indemnity Agreement:** Agreement within which the indemnitor agrees to directly reimburse the indemnitee
  - for example, when a contractor directly reimburses Chapman University.

# Example

John Smith

ABC Electric, Inc.

1234 Any Street., Any town, CA 92614

RE: Damage Claim – MM/DD/YYYY

As discussed by phone today, this is to request your assistance in expediting payment of all damage repair costs incurred by Chapman University resulting from the accidental release of water in our property known as Henley Hall resulting from work performed by ABC Electric, Inc. on Saturday, August 2, 2008.

- On 10/31/08 Our insurer referred the claim to law firm Cozen & O'Connor (a national subrogation law firm) for recovery of **\$145,502.**

**OK, they have agreed  
to “indemnify” us,  
so, why insurance?**

# Insurance

## Risk Transfer Tool

- Insurance allows the **transfer** of large unpredictable risks to a larger financially capable entity
  - Homeowners
  - Auto Insurance







# Insurance

- Insurance policies are a contract between the insured and the insurer
- A promise of compensation for specific potential future losses in exchange for a periodic payment.
- Insurance is designed to protect the financial well-being of an individual, company or other entity in the case of unexpected loss.
- Some forms of insurance are required by law, while others are optional.

# Types of Insurance

- General Liability
- Automobile Liability
- Workers' Compensation
- Excess (Umbrella) Liability
- Errors & Omissions (Professional Liability)

# Recap!

## Why do we require insurance from Contractors/Vendors?

- To help assure the availability of financial resources to satisfy the monetary obligations of the legally responsible party.

# Minimum Limits

~an overview~

## ■ Commercial General Liability

- Each Occurrence  
\$1,000,000
- Products/Completed Operations Aggregate  
\$1,000,000
- Personal and Advertising Injury  
\$1,000,000
- General Aggregate  
\$2,000,000

## ■ Business Auto Liability

- Combined Single Limit  
\$1,000,000

## ■ Workers' Compensation

- CA Statutory
- EL: \$1,000,000

## ■ Increased Limits

- As required

## ■ Other Coverages

- Errors and Omissions
- Others as required

# Coverage Requirements and Limits Subject to Change

- **NOTE:** At the discretion of the Chapman University Risk Management Department (due to the nature of the contract, activity, event or the number of people in attendance) higher limits or other requirements may be specified.



# Evidence of Insurance



- Proof of the required insurance is evidenced by a Certificate of Insurance on an Acord™ form
- **It is commonly referred to as “proof of coverage.” But, is it?**

# Proof of Insurance?

CERTIFICATE OF LIABILITY INSURANCE		Clear	Save	DATE (MM/DD/YYYY) 07/10/2007
<p>&amp; Co. Suite 600 3-2300 00 Fax: 818-539-2301 services 765</p>		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.		
		INSURERS AFFORDING COVERAGE		NAIC #
		INSURER A: Hartford Insurance Company		
		INSURER B: Travelers Insurance Company		
		INSURER C: National Union		
		INSURER D:		
INSURER E:				

Additional Insured status and  
Waiver of Subrogation etc.



ACORD <small>TM</small> CERTIFICATE OF LIABILITY INSURANCE		Clear	Save	DATE (MM/DD/YYYY) 07/10/2007	
<b>PRODUCER</b> Arthur J. Gallagher & Co. 505 N. Brand Blvd., Suite 600 Glendale, CA 91203-2300 Phone: 818-539-2300      Fax: 818-539-2301		<b>THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.</b>			
<b>INSURED</b> ABC Electrical Services 123 Main Street Anytown, CA 98765		<b>INSURERS AFFORDING COVERAGE</b> INSURER A: Hartford Insurance Company INSURER B: Travelers Insurance Company INSURER C: National Union INSURER D: INSURER E:		<b>NAIC #</b>	
<b>COVERAGES</b> THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
INSR ADD'L	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO- <input type="checkbox"/> FECT <input type="checkbox"/> LOC	123456789	07/01/07	07/01/08	EACH OCCURRENCE \$ 1,000,000
					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ included
					MED EXP (Any one person) \$ optional
					PERSONAL & ADV INJURY \$ included
					GENERAL AGGREGATE \$ 3,000,000
					PRODUCTS - COMP/OP AGG \$ included
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	987654321	07/01/07	07/01/08	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
C	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: EA ACC \$
					AGG \$
D	<input checked="" type="checkbox"/> EXCESS UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ 5,000,000
					AGGREGATE \$ 5,000,000
E	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$
					E.L. EACH ACCIDENT \$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
					DISEASE - POLICY LIMIT \$ 1,000,000
<b>DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS</b> RE: Chapman University Warehouse Renovation at 633 W. Palm. Chapman University, its trustees, officers, employees, faculty, and agents are included as an additional insured with respect to the above stated work and subject to the terms and conditions of the additional insured endorsement CGL216 (04/98) attached, and the policy.					
<b>CERTIFICATE HOLDER</b> Chapman University One University Dr. Orange, CA 92866			<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL <del>XXXXXX</del> MAIL <sup>30</sup> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. XXXXXXXXXXXX AUTHORIZED REPRESENTATIVE		

# Commercial General Liability: Chapman University – Minimum Limits

- Each Occurrence \$1,000,000
- General Aggregate \$3,000,000

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS				
A		GENERAL LIABILITY	CGL200800052400	09/01/08	09/01/09	EACH OCCURRENCE	\$ 1,000,000			
	<input checked="" type="checkbox"/>	COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000			
	<input type="checkbox"/>	CLAIMS MADE				<input checked="" type="checkbox"/>	OCCUR	MED EXP (Any one person)	\$ 5,000	
	<input type="checkbox"/>						PERSONAL & ADV INJURY	\$ Included		
	<input type="checkbox"/>						GENERAL AGGREGATE	\$ 3,000,000		
	GEN'L AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COM/PROP AGG	\$ Included			
	<input checked="" type="checkbox"/>	POLICY				<input type="checkbox"/>	PRO-JECT	<input type="checkbox"/>	LOC	

# Automobile Liability: Chapman University MINIMUM REQUIREMENTS

- Commercial Entities: \$1,000,000 per occurrence.
  - Transportation Company \$5,000,000
  - Bus company \$10,000,000 if bus seats 20 or more people
  
- Individuals: \$300,000 CSL preferred. Liability of \$100,000 per person / \$300,000 per occurrence; property damage of \$50,000 per occurrence can be considered.

B	AUTOMOBILE LIABILITY		987654321	07/01/07	07/01/08	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input checked="" type="checkbox"/>	ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/>	ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/>	SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/>	HIRED AUTOS					
	<input type="checkbox"/>	NON-OWNED AUTOS					
	<input type="checkbox"/>						



# Umbrella or Excess Liability: Chapman University MINIMUM REQUIREMENTS

- Umbrella or Excess Liability insurance may be used to achieve liability limits

A	EXCESS/UMBRELLA LIABILITY		96A2UB0000036-01	8/17/2008	8/17/2009	AGGREGATE	\$ 3,000,000
	<input checked="" type="checkbox"/> OCCUR	<input type="checkbox"/> CLAIMS MADE				EACH OCCURRENCE	\$ 3,000,000
						AGGREGATE	\$ 3,000,000
							\$
							\$
							\$
DEDUCTIBLE							
RETENTION \$							



# Workers' Compensation: Chapman University MINIMUM REQUIREMENTS

- Worker's Compensation - Statutory – As required by law in the State of California
- Employer's Liability:
  - \$1,000,000 Bodily Injury by Accident - Each Accident
  - \$1,000,000 Bodily Injury by Disease - Policy Limit
  - \$1,000,000 Bodily Injury by Disease - Each Employee

B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY  ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?  If yes, describe under SPECIAL PROVISIONS below	WC11111111	01/01/07	01/01/08	<input checked="" type="checkbox"/> WC STATU- TORY LIMITS	<input type="checkbox"/> OTH- ER	
					E.L. EACH ACCIDENT		\$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE		\$ 1,000,000
					E.L. DISEASE - POLICY LIMIT		\$ 1,000,000

# State Compensation Fund (SCIF)

POLICYHOLDER COPY



P.O. BOX 420807, SAN FRANCISCO, CA 94142-0807

## CERTIFICATE OF WORKERS' COMPENSATION INSURANCE

ISSUE DATE: 03-21-2012

GROUP: 000238  
POLICY NUMBER: 0003612-2011  
CERTIFICATE ID: 27  
CERTIFICATE EXPIRES: 11-01-2012  
11-01-2011/11-01-2012

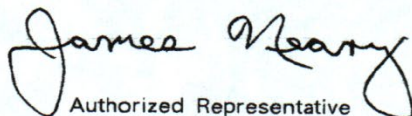
CHAPMAN UNIVERSITY; ATTN: MICHELLE OZUNA SC  
1 UNIVERSITY DR  
ORANGE CA 92866-1005

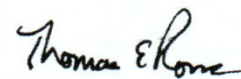
This is to certify that we have issued a valid Workers' Compensation insurance policy in a form approved by the California Insurance Commissioner to the employer named below for the policy period indicated.

This policy is not subject to cancellation by the Fund except upon 10 days advance written notice to the employer.

We will also give you 10 days advance notice should this policy be cancelled prior to its normal expiration.

This certificate of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policy listed herein. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate of insurance may be issued or to which it may pertain, the insurance afforded by the policy described herein is subject to all the terms, exclusions, and conditions, of such policy.

  
Authorized Representative

  
President and CEO

EMPLOYER'S LIABILITY LIMIT INCLUDING DEFENSE COSTS: \$1,000,000 PER OCCURRENCE.

ENDORSEMENT #1600 - PHILIP C SIMOVICH PRESIDENT - EXCLUDED.



Allan F. Brooks, CPCU, ARM  
Director, Risk Management  
Phone 714-532-7794  
[abrooks@chapman.edu](mailto:abrooks@chapman.edu)

One University Dr.  
Orange, CA 92866  
Mail Stop: RISK  
Office location: 701 N. Glassell

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Vendors to Chapman University that do not directly or through the use of sub-contract agreements employ individuals in the performance of contractual obligations to the University may request a Waiver of the University standard requirement to evidence workers' compensation insurance coverage by certifying that they have no employees. Please complete and return this form to the person/department that you are working with on any service agreements.

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☐ Certificate of Exemption Certifying No Employees

I am aware of the provisions of California Labor Code Section 3700, which requires every employer having one or more employees to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code.

I affirm that at the time of execution of this Agreement and at all times in performing the work identified in this Agreement I do not and will not employ any person in any manner so that I become subject to the Workers' Compensation Laws of California. I also understand that if while performing the work identified herein, if I employ someone so that I become subject to the Workers Compensation Laws of California, the claim of exemption executed under this paragraph will no longer be valid.

I further affirm that if I become subject to the Workers' Compensation Laws of California while performing the work under this Agreement, I will immediately cease work and obtain a Certificate of Workers' Compensation Insurance, submit that Certificate to the University immediately following its effective date, and at all times when performing services under this Agreement maintain the coverage provided by the Certificate in accordance with the law.

I certify under penalty of perjury under the laws of the State of California that the information provided on this exemption statement is true and accurate.

Company Name: \_\_\_\_\_

Name of Authorized Signer: \_\_\_\_\_

Signature of Authorized Signer: \_\_\_\_\_

Date Signed: \_\_\_\_\_

# Certificate of Exemption - No Employees



# Certificate of Exemption

## ☐ Certificate of Exemption Certifying No Employees

I am aware of the provisions of California Labor Code Section 3700, which requires every employer having one or more employees to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code.

I affirm that at the time of execution of this Agreement and at all times in performing the work identified in this Agreement I do not and will not employ any person in any manner so that I become subject to the Workers' Compensation Laws of California. I also understand that if while performing the work identified herein, if I employ someone so that I become subject to the Workers Compensation Laws of California, the claim of exemption executed under this paragraph will no longer be valid.

I further affirm that if I become subject to the Workers' Compensation Laws of California while performing the work under this Agreement, I will immediately cease work and obtain a Certificate of Workers' Compensation Insurance, submit that Certificate to the University immediately following its effective date, and at all times when performing services under this Agreement maintain the coverage provided by the Certificate in accordance with the law.

I certify under penalty of perjury under the laws of the State of California that the information provided on this exemption statement is true and accurate.

Company Name: \_\_\_\_\_

Name of Authorized Signer: \_\_\_\_\_

Signature of Authorized Signer: \_\_\_\_\_

Date Signed: \_\_\_\_\_

# All Certificates of Insurance: MINIMUM REQUIREMENTS

- The **COI** may provide specific information as to the date and contract/activity/event for which the Certificate is being issued. It may cover all operations of the Contractor for the University.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

**RE: Chapman University Warehouse Renovation at 633 W. Palm.**

Chapman University, its trustees, officers, employees, faculty, and agents are included as an additional insured with respect to the above stated work and subject to the terms and conditions of the additional insured endorsement CGL216 (04/98) attached, and the policy.

CERTIFICATE HOLDER

Chapman University  
One University Dr.  
Orange, CA 92866

CANCELLATION


AUTHORIZED REPRESENTATIVE

# **All Certificates of Insurance: Other Requirements**

- **Additional Insured**
  - Defend Chapman if brought into law-suit
- **Waiver of Subrogation**
  - Their insurance company can't come back to us to collect \$ they had to pay out
- **Primary and Non-Contributory**
  - Their insurance will be first
- **Cancellation Notice**
  - Notify us if a policy is cancelled

# All Certificates of Insurance: Additional Insured

- CAUTION: Additional Insured coverage should be automatically provided with regard to “work performed” for Chapman University. The Additional Insured Endorsement should NOT require a written contract. If it does, be sure there is such a contract.

<small>DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS</small> RE: Chapman University Warehouse Renovation at 633 W. Palm. Chapman University, its trustees, officers, employees, faculty, and agents are included as an additional insured with respect to the above stated work and subject to the terms and conditions of the additional insured endorsement CGL216 (04/98) attached, and the policy.	
<small>CERTIFICATE HOLDER</small>  Chapman University One University Dr. Orange, CA 92866	<small>CANCELLATION</small> <small>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION</small> 
<small>ACORD 25 (2001/08)</small>	<small>© ACORD CORPORATION 1988</small>

# All Certificates of Insurance: Waiver of Subrogation

- By endorsement, the General Liability policy must include *Waiver of Subrogation* in favor of Chapman University.

<b>Willis</b>		<b>CERTIFICATE OF LIABILITY INSURANCE</b> Page 2 of 3		DATE 04/16/2008
PRODUCER		877-945-7378	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
Willis North America, Inc. 26 Century Blvd. P. O. Box 305191 Nashville, TN 372305191				
INSURED		INSURERS AFFORDING COVERAGE		NAIC#
Follett Corporation 2233 West Street River Grove, IL 60171		INSURER A: Zurich American Insurance Company		16535-004
		INSURER B: Zurich American Insurance Company		16535-002
		INSURER C: XL Insurance America, Inc.		24554-000
		INSURER D:		
		INSURER E:		
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS				
It is understood and agreed that the company Waives its right of Subrogation against University, all officers, trustees, agents and employees which may arise by reason of a payment of claim under the General Liability policy.				

# All Certificates of Insurance: Primary Non-Contributory


## DESCRIPTIONS (Continued from Page 1)

Chapman University and Abacus Project Management, Inc., their trustees, officers, employees, faculty and agents as an additional insured as their interest may appear with regard to liability arising from operations of the named insured; this insurance is primary and noncontributory with any other insurance of the additional insured; waiver of subrogation applies as respects general liability and workers compensation as required by written contract, per endorsements attached.

Should any policy be cancelled before the expiration date, BB&T Insurance Services will mail 30 (thirty) days written notice to the certificate holders which require such action per written contract or agreement, except 10 days notice of cancellation for non-payment of premium.



# All Certificates of Insurance: Cancellation Notice

CERTIFICATE HOLDER	CANCELLATION
<p>Chapman University 1 University Dr Orange, CA 92866</p>	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p>
	<p>AUTHORIZED REPRESENTATIVE</p> <p>Lee Martinez/JM </p>

# NOTICE TO CONTRACTORS / VENDORS / FACILITY USERS

- All Certificates should be sent by mail and/or email to the contracting party at Chapman University.

Chapman University  
One University Drive  
Orange, CA 92866

- All Certificates should be sent or forwarded by email to [risk@chapman.edu](mailto:risk@chapman.edu)



**Careful Review  
of Insurance Certificates**

**Risk Management  
is  
Good Management**



## CONSULTANT/CONTRACTOR'S INSURANCE REQUIREMENTS¶

If insurance is required, Consultant/Contractor, at its sole cost and expense, shall insure its activities in connection with the work under this Agreement and obtain, keep in force, and maintain insurance as follows:¶

- 1. YES ☐ NO ☐ **Commercial Form General Liability Insurance**, written on an occurrence form and maintained throughout the term of this Agreement, contractual liability included, with limits as follows:¶
  - 1.1 → \$1,000,000 → Each Occurrence¶
  - 1.2 → \$1,000,000 → Products/Completed Operations Aggregate¶
  - 1.3 → \$1,000,000 → Personal and Advertising Injury¶
  - 1.4 → \$2,000,000 → General Aggregate¶
- If Consultant/Contractor's performance of its obligations under this Agreement involves participation by or interaction with minors, the General Liability insurance policy must provide coverage for sexual misconduct (including by definition sexual molestation, abuse, and harassment). If the General Liability coverage has any sub-limits or exclusions that apply to coverage for sexual misconduct, the Certificate of Insurance must define those limits or exclusions.¶
- 2. YES ☐ NO ☐ **Business Automobile Liability Insurance** for owned, scheduled, non-owned, or hired automobiles with a combined single limit not less than \$1,000,000 per occurrence.¶
- 3. YES ☐ NO ☐ If this Agreement involves professional services by a licensed professional, **Professional Liability Insurance** with a limit of \$1,000,000 per occurrence is required. If this insurance is written on a claims-made form, it shall continue for three<sup>2</sup> (3) years following termination of this Agreement. The insurance shall have a retroactive date of placement prior to or coinciding with the effective date of this Agreement.¶
- 4. YES ☐ NO ☐ **Workers' Compensation Insurance** as required by the state of California. Employer's liability with limits of \$1,000,000 for bodily injury each accident, by disease; \$1,000,000 for bodily injury policy limit; \$1,000,000 for bodily injury each employee.¶
- 5. YES ☐ NO ☐ **Umbrella or Excess Liability Insurance** with limits of \$5,000,000 endorsed to University as additional insured and noted as being as broad as primary policy, in excess of underlying limits reflected above for Commercial Form General Liability and Business Automobile Liability coverage.¶

- It should be expressly understood, however, that the coverage limits reflected herein shall in no way limit Consultant/Contractor's liability. If the coverage limits of Consultant/Contractor's insurance policies exceed those set forth above as evidenced by a Certificate of Insurance ("COI"), then these requirements shall be deemed amended to increase the coverage limits identified above to the higher coverage limits of Consultant/Contractor's policies. Consultant/Contractor shall furnish University with COI(s) evincing compliance with these requirements prior to commencing work under this Agreement. Such COI(s) shall:¶

- (1) → Specify that should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. Notwithstanding the above, Consultant/Contractor shall notify University thirty<sup>3</sup> (30) days in advance of any material change in coverage or cancellation of coverage.¶
- (2) → By endorsement reflect "Chapman University, its trustees, officers, employees, faculty, and agents as an additional insured as their interest may appear with regard to the activity and/or operations under this Agreement."¶
- (3) → Include a provision that the coverage will be primary and will not participate with nor be excess over any valid and collectible insurance or program of self-insurance carried or maintained by University.¶

# Careful Review of Insurance Certificates

- Risk management mandates the collection and evaluation of COIs from service providers - vendors, contractors, tenants, suppliers and franchisees. This need often imposes a significant administrative burden on the Certificate Holder to **accurately manage the process**. It is a labor-intensive chore that often leads to poor rates of compliance and unsatisfactory outcomes.
- Personnel must be **trained to correctly assess compliance** with the coverage requirements associated with the Insured. In many cases, a careful review of insurance requirements as declared in the contract may be appropriate.
- **To protect against fraud**, questionable COIs, such as those with erasures, non-matching type faces or other suspicious markings must be rejected. As COIs can only be issued from the Insured's broker, Certificate Holders must ensure that the broker was the actual source of the document.

# What if YOU need a COI evidencing Chapman University Insurance?

- <http://www.chapman.edu/RiskMgmt/>
- <http://www.chapman.edu/RiskMgmt/resources.asp>
- Certificate of Insurance Request Form ([Form](#))





# Special Events

## Facilities Users - External



- The TULIP is a Tenants' and Users' Liability Insurance Policy, also known as "Events Coverage".
  - Subject to policy terms, it protects both the Facility User and the Institution against claims by third parties who may be injured or who lose property as a result of participating in an event.
  - Classroom seminars, receptions or even events including camps, sports events or rock concerts.
- Go to Risk Management Resources: Special Events Insurance - TULIP Program ([PDF](#))



# Special Events

## Others-Internal

**FASTCOV.com** | *Think Speed. Think Convenience. Think **FASTCOV.com***

- The Short-Term Special Events program they offer provides primary event General Liability coverage for short-term non-sports events.
- Coverage for 5 additional set-up days and 5 additional tear down days is automatically provided. Host Liquor coverage is available.
- Purchased by the vendor, in their name as the insured party. If it is purchased by the University on behalf of the vendor, it is important that the named insured is identified as the vendor





**Q & A**  
**time**

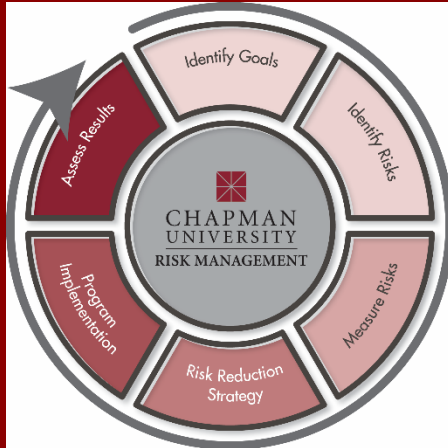


# Recap

- Risk and Risk Management
- Why is Insurance Required of Contractors and Vendors?
- Chapman University Requirements for Evidence of Insurance
- Special Program for Special Events
- Questions and Answers



# CHAPMAN UNIVERSITY RISK MANAGEMENT



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# Thank you for being here today!

