

School Pool For Excess Liability Limits Joint Insurance Fund

(SPELL)

ACCASBO, BCIP & GCSSD

CERTIFICATES OF INSURANCE

AND

ADDITIONAL INSURED

GUIDELINES

REVISED: December 2011

**SCHOOL POOL FOR EXCESS LIABILITY LIMITS
(SPELL)**

ACCASBO, BCIP & GCSSD

**CERTIFICATES OF INSURANCE AND
ADDITIONAL INSURED GUIDELINES**

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I. GENERAL INTRODUCTION

Whether dealing with an insurance company or participating in a Joint Insurance Fund, Certificates of Insurance are a necessary and important fact of life. Certificate requests can arise under a variety of circumstances. However, Certificates are most frequently requested in one of the following:

1. Situations where the school district must *provide* a certificate *to* another organization.

Typical examples here involve leases of property or equipment (such as driver's education vehicles, photocopiers, mobile classrooms, etc.) or receipt of grant monies from a state or federal agency.

2. Situations where school districts *request* certificates *from* other organizations.

Examples here include use of school district ball fields or other facilities by local citizens groups or instances where districts have contracted for construction, school bus operations or other services from third parties.

Certificates can serve many purposes, the vast majority of which will fall into one of two categories. Certificates can either:

- a) *Simply show evidence that coverage exists*, (i.e. workers compensation, general liability, auto liability, property, etc.) or
- b) *Extend coverage to a third party* as pertains to certain actions or events.

Regardless of the role played by a Certificate, it is important to remember that each is a legal document which creates legal obligations either *to* the Districts or *for* the District. By extension, each of these applies equally to the SPELL and/or its owner groups (ACCASBO, BCIP & GCSSD). Thus, the importance of Certificates is clear.

The purpose of this document is to provide a set of general guidelines to school district business officials on the major types of Certificates and the procedures to be followed when requesting them through the Pool or from third parties. These guidelines are advisory (*not mandatory*) and are meant to be broad in nature. Modifications of the suggested coverages and limits shown may be permitted on a case by case basis as dictated by local board policy.

Please note the following as being common to any area involving a Certificate of Insurance:

1. No work or services should be performed by outside parties nor should any facilities be used by outsiders unless proper Certificates of Insurance are on file with the School Business Official/Board Secretary **AND** the District's Risk Management Consultant.
2. Should questions arise as to the adequacy of the limits shown here, please contact your local Risk Management Consultant or the Fund Administrator/Executive Director's office at (856) 446-9100.

II. REQUESTING EVIDENCE OF SCHOOL DISTRICT COVERAGES THROUGH THE FUND

School Districts are frequently involved in contractual relationships which require that they provide evidence of insurance to private contractors or other governmental units. Typically, these requirements are contained in lease and/or purchase agreements for property or relate to the district's receipt of grant monies from the state or federal government. Requests for certificates such as these are a routine matter.

In order to avoid errors and to keep from unnecessarily extending coverage, it is essential that the information provided in the "Request for Certificate of Insurance" form (Page 17) be accurate and complete.

The following pages provide several examples of completed "Requests for Certificate of Insurance" forms. These forms should be faxed or mailed directly to the Fund Underwriting Manager, Arthur J. Gallagher Risk Management Services, Inc., which will serve to speed transmittal of the Certificate to the district.

Other points which you should note when requesting certificates are the following;

- 1) Include the full name and mailing address of the party requesting the certificate as well as the date by which the certificate is needed;
- 2) Where an "additional insured" endorsement is required, ***a clear description of the item or activity being covered should be included.*** Additionally, the contract number or, in the case of a grant, the grant number should be shown so as to pinpoint exactly what items are being covered.
- 3) When loss payee status is requested (which means that a leasing company or other entity will be paid for any property loss rather than the District) ***the exact value of the property as indicated on the contract should be shown.***

Copies of Certificates of Insurance will be forwarded to the Fund Administrator, Certificate holder and the Business Official for the District requesting the coverage.

**School Pool For Excess Liability Limits
SPELL
(ACCASBO, BCIP & GCSSD)
Request for Certificate of Insurance**

Date: September 23, 2006

To: Jennifer Fox Phone 856-446-9133
Arthur J. Gallagher Risk Management Services, Inc. FAX 856-446-9149

District: AnyTown Board of Education
Address

Department: _____

Person Requesting Name, School Business Administrator Phone 609-555-1234
Fax 609-555-4321

Please issue a certificate of insurance to:

Name and Address of the certificate holder State of New Jersey, Department of Education
CN 325
Trenton, NJ 86901-0325

Date needed September 25, 2006

Reason (Interest, Event, Description of Property or Vehicle, Dates – provide as much info as possible)

1. As pertains to early child development grant (Attached)
2. Show all coverage's – no additional insured or loss payee status

Leased Vehicle: Yes _____ No _____
Year, Make, Model: _____
Serial Number: _____

To Be Shown on Certificate:

- | | |
|------------------------------------------------|---------------------------------------------|
| <input type="checkbox"/> General Liability | <input type="checkbox"/> Additional Insured |
| <input type="checkbox"/> Auto Liability | <input type="checkbox"/> Mortgagee |
| <input type="checkbox"/> Property | <input type="checkbox"/> Loss Payee |
| <input type="checkbox"/> Workers' Compensation | <input type="checkbox"/> Lessor |

Other: Attach Special Requirements

Send Original to

- | | |
|---------------------------------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> Certificate Holder, with copy to School District | <input checked="" type="checkbox"/> District with copy |
|---------------------------------------------------------------------------|--------------------------------------------------------|

**School Pool For Excess Liability Limits
SPELL
(ACCASBO, BCIP & GCSSD)
Request for Certificate of Insurance**

Date: September 23, 2006

To: Jennifer Fox Phone 856-446-9133
Arthur J. Gallagher Risk Management Services, Inc. FAX 856-446-9149

District: AnyTown Board of Education
Address _____

Department: _____

Person Requesting Name, Risk Management Consultant Phone 609-555-1234
Fax 609-555-4321

Please issue a certificate of insurance to:

Name and Address of the certificate holder Gelco Space
c/o 123 Anywhere Place,
Bala Cynwyd, PA 00001

Date needed September 25, 2006

Reason (Interest, Event, Description of Property or Vehicle, Dates – provide as much info as possible)

1. Mobile Classroom Rental as pertains to contract #RW 1574- \$24,900 (Attached)
2. Loss Payee for property – Gelco
3. Gelco added as additional insured for general liability

Leased Vehicle: Yes _____ No _____
Year, Make, Model: _____
Serial Number: _____

To Be Shown on Certificate:

- | | |
|------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> General Liability | <input checked="" type="checkbox"/> Additional Insured |
| <input type="checkbox"/> Auto Liability | <input type="checkbox"/> Mortgagee |
| <input type="checkbox"/> Property | <input checked="" type="checkbox"/> Loss Payee |
| <input type="checkbox"/> Workers' Compensation | <input type="checkbox"/> Lessor |

Other: Attach Special Requirements

Send Original to Certificate Holder, with copy to School District District with copy

**School Pool For Excess Liability Limits
SPELL
(ACCASBO, BCIP & GCSSD)
Request for Certificate of Insurance**

Date: September 23, 2006

To: Jennifer Fox Phone 856-446-9133
Arthur J. Gallagher Risk Management Services, Inc. FAX 856-446-9149

District: Any Town Board of Education
Address _____

Department: _____

Person Requesting Name, Risk Management Consultant Phone 609-555-1234
Fax 609-555-4321

Please issue a certificate of insurance to:

Name and Address of the certificate holder Admiral Nissan
135 White Horse Pike
Mays landing, NJ 93710

Date needed September 25, 2006

Reason (Interest, Event, Description of Property or Vehicle, Dates – provide as much info as possible)

1. As pertains to lease of 2001 Nissan Sentra for drivers ed. Vin# 0965U731 Lease #751
2. Loss Payee for party 16 \$6,500
3. Additional insured for auto liability

Leased Vehicle: Yes <input checked="" type="checkbox"/> No _____
Year,Make,Model: <u>2001 Nissan Sentra</u>
Serial Number: <u># 0965U731</u>

To Be Shown on Certificate:

- | | |
|------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> General Liability | <input checked="" type="checkbox"/> Additional Insured |
| <input type="checkbox"/> Auto Liability | <input type="checkbox"/> Mortgagee |
| <input type="checkbox"/> Property | <input checked="" type="checkbox"/> Loss Payee |
| <input type="checkbox"/> Workers' Compensation | <input type="checkbox"/> Lessor |

Other: Attach Special Requirements

Send Original to

Certificate Holder, with copy to School District

District with copy

III. REQUESTING EVIDENCE OF COVERAGE AND ADDITIONAL INSURED STATUS FROM OTHERS

Good risk management requires that districts and the Fund transfer as much risk as is practical in the course of their day-to-day operations. Standard methods for doing this include:

- a) Contract provisions requiring that sellers of services "assume the risk" associated with their products,
- b) Evidence of insurance (in the form of Certificates of Insurance) with appropriate limits of coverage; and
- c) "Additional Insured" endorsements naming the individual district as additional insured.

The intent of each of the above arrangements is to place the contractor and/or their respective insurance companies in the place of the district and the Fund should a claim(s) arise as a result of the contractor's actions, services or products.

Following are general guidelines and limits of coverage for six different situations in which the SPELL districts are likely to request certificates of insurance. Also included are various suggested coverages and limits. These should be adhered to when requesting certificates from providers.

Remember again, the limits shown are minimums and the general rule of thumb when requesting certificates and "additional insured" status is to ask for as much coverage as may possibly exist so as to better insulate your district and the Fund from any liability.

GROUP 1

Private citizens, organizations or non-business groups using the facilities of the school district, (i.e., garden clubs, sports associations/groups, local citizen groups, etc.)¹

MINIMUM REQUIREMENTS

I. General Liability

- a. Commercial General Liability with a \$500,000 Combined Single Limit of Liability for Bodily Injury and Property Damage, including Blanket Contractual, Premises and Products Liability.
- b. Private Coverage to be primary.
- c. School District named as "Additional Insured"; and
- d. Executed Indemnity and Hold Harmless Agreement (See Appendix "A")
- e. Sports Associations must show evidence that their General Liability Policy will respond to injuries sustained by athletic participants, and/or show a Certificate of Insurance evidencing an Athletic Participants Medical Payments Policy.

¹The SPELL and its owner groups (ACCASBO, BCIP & GCSSD) supports current efforts to promote alcohol and substance abuse awareness. With this in mind, the Fund discourages the presence or distribution of alcoholic beverages on any Fund member property.

GROUP 2

**Contractors performing structural improvements or renovations
(i.e., working on facilities, parking lots, etc.)**

MINIMUM REQUIREMENTS

I. General Liability:

- a. Commercial General Liability with a \$2,000,000 Combined Single Limit of Liability per occurrence for Bodily Injury and Property Damage including Blanket Contractual Liability, Products Liability, Completed Operations and all Broad Form Comprehensive General Liability enhancements.
- b. Contractor's insurance to be primary.
- c. 30 day notice of intent to cancel, non-renew, or make material change in coverage.
- d. School District to be named as "Additional Insured."
- e. Executed Indemnity and Hold Harmless Agreement (see Appendix "A") or substantially similar provisions should be included in the bid specifications or contract.

II. Automobile Liability:

- a. \$2,000,000 Combined Single Limit of Liability for Bodily Injury and Property Damage per accident.
- b. Coverage to include "Owned, Non-Owned, and Hired" automobiles.
- c. All other requirements the same as provided under "General Liability (b through e)" above.

III. Workers Compensation:

- a. Certificate of Insurance indicating "statutory" limits.
- b. 30 day notice of intent to cancel, non-renew, or make material change in coverage.

IV. Builder's Risk Insurance/Installation Floater:

"All Risk" Coverage for property which is being purchased by the contractor for the project whether in transit, temporary storage and before acceptance by the owner. It being understood that the proceeds of any such insurance for claims shall be used to repair or replace any such property on behalf of the District.

GROUP 3

Contractors not included in Group 2 (i.e., painters, plumbers, landscapers, etc.). Any other business doing work involving the School District (i.e., vehicle repairs/ maintenance, etc.).

MINIMUM REQUIREMENTS

I. General Liability²:

- a. Commercial General Liability with a \$1,000,000 Combined Single Limit of Liability per occurrence for Bodily Injury and Property Damage including Blanket Contractual Liability, Products Liability, Completed Operations and all Broad Form Comprehensive General Liability enhancements.
- b. Contractor's insurance to be primary
- c. 30 day notice of intent to cancel, non-renew, or make material change in coverage.
- d. School District to be named as "Additional Insured."
- e. Executed Indemnity and Hold Harmless Agreement (see Appendix "A") or substantially similar provisions should be included in the bid specifications or contract.

II. Automobile Liability:

- a. \$1,000,000 Combined Single Limit of Liability for Bodily Injury and Property Damage per accident.
- b. Coverage to include "Owned, Non-Owned, and Hired" automobiles.
- c. All other requirements the same as provided under "General Liability (b through e)" above.

III. Workers Compensation:

- a. Certificate of Insurance indicating "statutory" limits.
- b. 30 day notice of intent to cancel, non-renew, or make material change in coverage.

²In those cases where a member district contracts for vehicle maintenance or repairs, Garage Liability @ \$1,000,000 **AND** Garage Keepers Legal Liability (GKLL) @ \$75,000 should also be maintained.

GROUP 4

Professional Service Providers (i.e., solicitor, auditor, engineer, district insurance broker, specified medical practitioners, etc.).

MINIMUM REQUIREMENTS

I. Professional Liability (other than physicians)

- a. \$1,000,000 Errors & Omissions Insurance
- b. 30 days notice of intent to cancel, non-renew or make material change in coverage.
- c. Executed Indemnity and Hold Harmless Agreement (see Appendix "A") or similar provision should be included in the Service Contract.
- d. "Additional Insured" Agreement is not required.
- e. General Liability and Automobile Liability with Combined Single Limits of Liability of \$1,000,000 each, and Workers Compensation Insurance.

II. Medical Malpractice (physicians, dentists, psychologists)

- a. \$1,000,000 Medical Malpractice Insurance
- b. 30 days notice of intent to cancel, non-renew or make material change in coverage.
- c. Executed Indemnity and Hold Harmless Agreement (see Appendix "A") or similar provision should be included in the service contract.
- d. Additional Insured Agreement is not required.
- e. General Liability and Automobile Liability with Combined Single Limits of Liability of \$1,000,000 each, and Workers Compensation Insurance.

III. Workers Compensation:

- a. Certificate of Insurance indicating "statutory" limits.
- b. 30 day notice of intent to cancel, non-renew, or make material change in coverage.

GROUP 5

Contracted school bus operators.

MINIMUM REQUIREMENTS

I. General Liability:

- a. Commercial General Liability with a \$1,000,000 Combined Single Limit of Liability per occurrence for Bodily Injury and Property Damage including Blanket Contractual Liability, Products Liability, Completed Operations and all Broad Form Comprehensive General Liability enhancements.
- b. Contractor's insurance to be primary.
- c. 30 day notice of intent to cancel, non-renew, or make material change in coverage.
- d. School District to be named as "Additional Insured."
- e. Executed Indemnity and Hold Harmless Agreement (See Appendix "A") or substantially similar provisions should be included in the bid specifications or contract.

II. Automobile Liability:

- a. \$5,000,000 Combined Single Limit of Liability for Bodily Injury and Property Damage per accident.
- b. All other requirements the same as provided under "General Liability" above.

III. Workers Compensation:

- a. Certificate of Insurance indicating "statutory" limits.
- b. 30 day notice of intent to cancel, non-renew or make material changes in coverage.

GROUP 6

Contracted food service.

MINIMUM REQUIREMENTS

I. General Liability:

- a. Commercial General Liability with a \$2,000,000 Combined Single Limit of Liability per occurrence for Bodily Injury and Property Damage including Blanket Contractual Liability, Products Liability, Completed Operations and all Broad Form Comprehensive General Liability enhancements.
- b. Contractor's insurance to be primary.
- c. 30 day notice of intent to cancel, non-renew, or make material change in coverage.
- d. School District to be named as "Additional Insured."
- e. Executed Indemnity and Hold Harmless Agreement (See Appendix "A") or substantially similar provisions should be included in the bid specifications or contract.

II. Automobile Liability:

- a. \$1,000,000 Combined Single Limit of Liability for Bodily Injury and Property Damage per accident.
- b. All other requirements the same as provided under "General Liability" above.

III. Workers Compensation:

- a. Certificate of Insurance indicating "statutory" limits.
- b. 30 day notice of intent to cancel, non-renew or make material changes in coverage.

IV. Property Insurance:

- a. Certificate of Insurance evidencing coverage for all property owned and controlled by the Contractor which resides at or services the District's premise(s).

IV. USE OF FACILITIES – SCHOOL PERSONNEL

Districts have inquired about the liability associated with school employees using school facilities and equipment for personal use before or after their work day. Some districts have employees who meet after school and use school facilities for exercise classes, recreational activities, etc.

In order to better protect your district and the Fund from the liability of a loss due to an injury incurred during one of these activities, we suggest that districts implement the following:

(1) Never allow individuals or organized groups to use your facilities without permission. Use of school facilities by employees should be a part of your policy and regulations on Use of School Facilities.

(2) Since employees will generally not have a certificate of insurance for these activities, every employee who uses school facilities for personal use, should be required to sign a Release, Waiver of Liability, and Covenant Not to Sue form. A copy of the form is included in these guidelines.

It has been suggested that all new employees sign this document when they are first employed. This would cover the district for the tenure of the employee.

You should consider reviewing this matter with your superintendent and/or Board before implementing.

Employee Use of Facility Waiver Form

Release, Waiver of Liability, and Covenant Not To Sue

The undersigned school district employee has requested permission to use school district owned facilities for personal use outside of normal working hours and during periods when the facilities are not being used for school purposes. My use of the facilities is strictly voluntary and is exclusively for my own benefit. I understand that my employer is not a sponsor of my facility use and does not endorse this activity on my part. I understand that the school district is merely allowing employees to use school facilities for their personal activity during periods when the facilities are not being used for school purposes. I understand that I am accepting these facilities for use in “as-is” condition and that the school district is making no representation or warranty as the condition of its facilities and equipment and makes no representation that the facilities or equipment are suitable for any particular purpose.

I hereby acknowledge that use of school district facilities involves an inherent risk of physical injury and I assume all such risks. In consideration of the school district allowing me to use its facilities without charge or payment of any fee I waive liability, release and forever discharge the school district, its members individually, its officers, agents, or employees from any and all demands, rights, and causes of action of whatever kind or nature, arising out of all known or unknown, foreseen and unforeseen bodily and personal injuries, damages to property, and the consequences thereof, including death, resulting from my voluntary use of school district facilities as described in this document.

I further covenant and agree that I will not sue or make any claims of any kind against the school district, its members individually, its officers, agents, or employees for any claim for damages of any kind arising or growing out of my voluntary use of school district facilities as described in this document, including Workers Compensation claims.

Printed Name: _____

Signature: _____

Date: _____

Witness printed name: _____

Witness signature: _____

APPENDIX A

MODEL

INDEMNITY AND HOLD HARMLESS AGREEMENT

(Contractor, if corporation, also responsible individual of corporation signing individually) agrees to indemnify and hold harmless (Name of School District), and their agents and employees, from and against all claims, damages, losses, and expenses, including reasonable attorney's fees in case it shall be necessary to file an action, arising out of performance of the work herein, which is 1) for personal or bodily injury, illness or death, or for property damage, including loss of use, and 2) caused in whole or in part by (Name of Contractor) negligent act or omission or that of a subcontractor, or that of anyone employed by them or for whose acts contractor or subcontractor may be liable. This indemnification and agreement shall apply in all instances whether (Name of School District) is made a party to the action or claim or is subsequently made a party to the action by third-party in-pleading or is made a party to a collateral action arising, in whole or in part, from any of the issues emanating from the original cause of action or claim.

By:
Contractor, Individual, Group, etc.

Date:

Note: The Fund no longer recommends that it be included on the Indemnification or named as Additional Insured in Certificates issued by others to member districts.

APPENDIX B

**School Pool For Excess Liability Limits
SPELL
(ACCASBO, BCIP & GCSSD)
Request for Certificate of Insurance**

Date: _____

To: Jennifer Fox
Arthur J. Gallagher Risk
Management Services, Inc.

Phone 856-446-9133
FAX 856-446-9149

District: _____

Department: _____

Person Requesting _____ Phone _____
Fax _____

Please issue a certificate of insurance to:

Name and Address of
the certificate
holder

Date needed _____

Reason (Interest, Event, Description of Property or Vehicle, Dates - provide as much info as possible)

Leased Vehicle:	Yes _____	No _____
Year, Make, Model:	_____	
Serial Number:	_____	

To Be Shown on Certificate:

- | | |
|------------------------------------------------|---------------------------------------------|
| <input type="checkbox"/> General Liability | <input type="checkbox"/> Additional Insured |
| <input type="checkbox"/> Auto Liability | <input type="checkbox"/> Mortgagee |
| <input type="checkbox"/> Property | <input type="checkbox"/> Loss Payee |
| <input type="checkbox"/> Workers' Compensation | <input type="checkbox"/> Lessor |

Other: Attach Special Requirements

Send Original to

- | | |
|------------------------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> Certificate Holder, with
copy to School District | <input type="checkbox"/> District with
copy |
|------------------------------------------------------------------------------|------------------------------------------------|