**Insurance Requirements for Contractors Doing Business with**

**University of Louisiana at Lafayette**

*Revised December 1, 2021*

1. **Internal Guidance to University Employees Regarding Purpose and Scope of This Document**

The purpose of this document is to guide University employees in ensuring that third parties doing business with the University are adequately insured for the risk and liability associated with the goods, services, and/or work they provide to the University. This document sets forth (1) internal guidance for University employees drafting or negotiating University contracts (“Guidance”); and (2) the insurance language to be included in the bid and/or contract specifications (“Insurance Requirements”) when hiring contractors, vendors, or service providers to provide goods, perform services, and/or perform work for the University (“Contractors”). This document also sets forth the insurance language that should be included in all University contracts with Contractors (“Contracts”). This document applies to all Contracts to which the University is a party, including the individual departments and units of the University.

Except as expressly provided in Section II, “Internal Guidance to University Employees Regarding Reduced Limits for Special Circumstances”, the Insurance Requirements provided herein shall be included in (1) all Contractor bid and contract specifications, and (2) all Contracts. Requests for other variations in this language must be reviewed by the University’s Risk Manager, who will make the final decision as to the language to be used. Please note that hazardous, unusual or exceptional activities, or a change in Contract indemnification provisions may necessitate additional insurance; questions regarding the need for other coverage should be directed to the University’s Risk Manager.

Requests for any variation in these Insurance Requirements will be reviewed by University’s Risk Manager, who will make the final decision.

**II. Internal Guidance to University Employees Regarding Reduced Limits for Special Circumstances**

The scope of work for a bid or Contract may dictate that a reduction of insurance limits is necessary to facilitate competition and/or ensure the University’s ability to hire qualified Contractors. Low risk activities which may justify a reduction in insurance limits include, but are not limited to:

1. Services in which the owner/operator is the only Contractor employee;
2. Services that do not involve the use of a motor vehicle;
3. Services in which there is no use of hazardous or radioactive materials;
4. Services in which there is no use of power machinery or tools;
5. Services in which there is no use of high voltage equipment; and
6. Services in which no work is actually performed on the University campus.

For these special circumstances, University’s Director of Purchasing, at their discretion, may choose to reduce the insurance required of Contractor. If insurance requirements are so reduced, the reduction(s) must comply with the following guidelines:

**A. Workers Compensation**

University may waive workers’ compensation insurance requirements for sole proprietors if they are the only person(s) employed by Contractor in performing the work or services specified in the Contract.

If coverage is so waived, the Contract must include language that Contractor agrees that such persons will have no cause of action against, and will not assert a claim against, University, The Board of Supervisors for the University of Louisiana System (“Board”), and/or the State of Louisiana, whether pursuant to the workers’ compensation law of Louisiana or any other state, or other similar state or federal law, under any circumstance. The Contract must also include language that the parties agree that University, the Board, and the State of Louisiana, and all of their agents and employees, shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents, or employees. The Contract must further include language that the parties agree that Contractor is a wholly independent contractor and is exclusively responsible for its own employees, owners, and agents, and that Contractor agrees to protect, defend, indemnify, and hold University, the Board, and the State of Louisiana, and all of their agents and employees, harmless from any assertion or claim that may arise from the performance of this Contract.

**B. Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability, may be reduced to a minimum limit per occurrence of $100,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

**C. Automobile Liability**

Automobile Liability Insurance requirements may be waived *only if* the scope of work does not involve the use of a motor vehicle. Examples include but are not limited to:

1. Goods and/or services that will be delivered to University by a third party (not Contractor); and
2. Goods and/or services that will be delivered to University electronically.

**D. Required Insurance Language**

Notwithstanding any reduction or waiver made pursuant to this Section, all bid/contract specifications and all Contracts must include the Insurance Requirements language set forth herein, subject to modification only for the specific reduction or waiver made.

1. **Internal Guidance to University Employees Regarding Standard Insurance Language**

The pages that follow set forth the University’s standard Insurance Requirements for Contractors Doing Business with University of Louisiana at Lafayette. Subject to any variations permitted by the Guidance provided above, the following language shall be used *verbatim* and in its entirety in all University (1) bid and contract specifications, and (2) Contracts with Contractors.

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Contractor shall purchase, at its own cost and expense, and maintain for the duration of the Contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by Contractor, its agents, representatives, employees, or subcontractors. The insurance shall be obtained from a company or companies lawfully authorized to do business in the State of Louisiana with a A.M. Best's rating of A-:VI or higher. Failure to comply with all terms of this section for the duration of the Contract places Contractor in breach of this Contract.

**A. Minimum Scope of Insurance and Limits**

**1. Workers Compensation**

Contractor shall be in compliance at all times with the Louisiana Workers’ Compensation Law with respect to workers’ compensation insurance or proper certification of self-insured status.

**2. Commercial General Liability**

Contractor shall maintain Commercial General Liability insurance, including Personal and Advertising Injury Liability, which coverage shall have a minimum limit per occurrence of $1,000,000 and a minimum general aggregate of $2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

Additionally, if alcohol is served in the execution of this Contract, then Contractor shall maintain Liquor Liability coverage in the minimum amount of $1,000,000 per occurrence.

Additionally, if valet parking is performed in the execution of this Contract, then Contractor shall maintain Garage Keepers Liability coverage in the minimum amount of $1,000,000 per occurrence.

**3. Automobile Liability**

If a motor vehicle owned, hired, or rented by the Contractor is used in the performance of the Contract, Contractor shall maintain Automobile Liability Insurance, which coverage shall have a minimum combined single limit per occurrence of $1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired, and non-owned automobiles.

1. **Professional Liability, Errors and Omissions, and Malpractice Insurance**

If any of the following professionals provide services in the execution of the Contract, Contractor shall purchase and maintain Professional Liability Insurance, which coverage shall have minimum limits of $1,000,000:

1. Medical Professionals, such as physicians, nurses, dentists, and pharmacists;
2. Architects and Engineers;
3. Attorneys;
4. Accountants and Professional Financial Advisors;
5. Real Estate Brokers and Appraisers;
6. Insurance Agents; and
7. Consultants.

Claims-made coverage for Professional Liability Insurance is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of at least 24 months, with full reinstatement of limits, from the expiration date of the policy, if policy is not renewed.

1. **Cyber Liability Insurance**

For Contracts in which the Contractor shall be granted access to electronic data belonging to the University or others, including but not limited to corporate confidential information (CCI), personal financial information (PII), personal health information (PHI), payment card information (PCI), and all personal student information (PSI) stored in electronic format, and for which there is a risk of electronic security breaches of this confidential data, including inadvertent release, hacking, viruses, improper destruction, etc., Cyber Liability insurance, including first-party costs, shall be required with a minimum limit per occurrence of $1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this Contract. It shall provide coverage for the duration of this Contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premium.

**B. Other Insurance Provisions**

Contractor shall either (i) require each subcontractor and vendor to procure and maintain all applicable insurance of the type and limits specified herein, or (ii) include all subcontractors as insureds under its policies.

Any deductibles or self-insured retentions must be declared to and accepted by University. Contractor shall be responsible for all deductibles and self-insured retentions. Any insurance or self-insurance maintained by University shall be excess and non-contributory of Contractor’s insurance. Contractor’s coverage shall contain no special limitations on the scope of protection afforded to University. Contractor’s insurance shall be primary as respects University, The Board of Supervisors for the University of Louisiana System (“Board”), and all of their respective officers, agents, employees, and volunteers.

Except for workers’ compensation coverage, University and Board, and all of their respective officers, agents, employees, and volunteers, shall be named as an additional insured for the full occurrence and aggregate limits of the applicable insurance policies as regards negligence by Contractor. ISO Form CG 20 10 (current form approved for use in Louisiana), or equivalent, is to be used when applicable.

Contractor shall provide to University Certificates of Insurance (“Certificates”) evidencing the foregoing coverage in advance of Contractor’s delivery of goods and/or performance of work or services, and in all events, prior to any payment by University to Contractor. In addition to Certificates, Contractor shall submit to University the declarations page and the cancellation provisions for each insurance policy. University reserves the right to request complete certified copies of all required insurance policies at any time.

Certificates and all notices regarding coverage shall be addressed to:

University of Louisiana at Lafayette

ATTN: Purchasing Department

P.O. Box 40197

Lafayette, LA 70504

Certificates of Insurance shall reflect that, to the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against University, its officers, agents, employees, and volunteers for losses arising from work performed by the Contractor for University.

Coverage shall not be canceled, suspended, reduced, or voided by either Contractor or the insurer except after 30 days written notice has been given to University. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in Contractor’s policy.

Acceptance of goods or completed work by University, payment by University, failure of University to require proof of compliance, or University’s acceptance of a non-compliant Certificate shall not release Contractor from its obligations under these insurance requirements. Failure of Contractor to purchase and/or maintain any required insurance shall not relieve Contractor from any liability or indemnification required by law or contract.