



Insurance Requirements for Most Contracts **(Not for Construction Contracts)**

Please read and follow these instructions carefully. After first consulting with your insurance broker for clarification, any remaining questions regarding these requirements can be directed to the District's Risk Manager. Any agreement to waive these coverages or accept lower limits is subject to the discretion of the District's Risk Manager.

A. The Types of Required Coverages

Listed below are most common insurance requirements for non-construction related contracts with San Jose Evergreen Community College District ("District").

Without limiting the Contractor's indemnification of the District, the Contractor shall provide and maintain at its own expense, and for the duration of the contract, the following insurance coverages and provisions-- Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Covering CGL on an "occurrence" basis, per project or location; combined single limit for Bodily Injury and Property Damage, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$1,000,000** per occurrence/**\$2,000,000** aggregate.

Additional Insured status is required-see detailed requirements and instructions below.

2. Commercial Automobile Liability: With limit no less than **\$1,000,000** per accident for bodily injury and property damage, including coverages for owned, non-owned and hired vehicles.

If the Contractor does not have Commercial Auto Insurance, District will accept a copy of the Declarations page from the Contractor's personal auto policy as proof of auto liability coverage. The District will not accept the copy of an insurance card as proof of coverage. If a contractor is working remotely, District may waive proof of auto liability coverage at its discretion.

3. Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease provided that contractor has employees as defined by the California Labor Code.

If the Contractor does not carry Worker's Compensation coverage because he believes he is exempt, the Contractor must provide District with a dated, written and signed statement on company letterhead stating the reason why the Contractor is not carrying the

coverage. For example, the Contractor can state that it “does not have any employees and is not required to carry worker’s compensation insurance under California law.”

4. Professional Liability (Errors and Omissions): Insurance appropriate to the Contractor’s profession, with limit no less than **\$2,000,000** per occurrence or claim/**\$2,000,000** aggregate.

Professional liability insurance coverage is often not required. Proof of Professional Liability (also referred to as “Errors & Omissions” or “E&O” insurance) is typically required if the Contractor is providing a professional service regulated by the state. (Examples of service providers regulated by the state are insurance agents, professional architects and engineers, doctors, certified public accountants, lawyers, etc.). However, other professional Contractors, such as computer or software designers, athletic trainers, and service providers such as claims administrators, should also have professional liability coverage. The District will advise the Contractor if professional liability coverage is required based upon the services involved.

5. Cyber Liability: Cyber Liability insurance with limits not less than **\$1,000,000** per occurrence or claim/ **\$5,000,000** in the aggregate.

Cyber Liability insurance is required if the Contractor is providing technology based services such as portals that allow access to obtain, use or store data; cloud hosting services; software or hardware; programming or other IT services and products. The District will advise Contractor if cyber liability coverage is required based upon the services involved.

B. Additional Insured Status for CGL Coverage:

The District, its trustees, officers, agents, employees and volunteers are to be covered as additional insureds under the CGL policy. The following additional insured language is required on either the Certificate of Insurance or the Endorsement:

“San Jose Evergreen Community College District, its trustees, officers, agents, employees, and volunteers, individually and collectively, are named as additional insureds on General Liability policy as per attached endorsement.”

The Contractor must provide the District with an Endorsement referencing the policy number of the General Liability insurance. The Certificate alone, even with the required language, is not sufficient. Contractors will need to request the Endorsement from their broker.

Certificate Holder shall read:

***San Jose Evergreen Community College District
40 South Market St.
San Jose, CA 95113***

Primary Coverage

Insurance afforded by the additional insured endorsement must be primary and any other insurance or self-insurance available maintained by the District, its officers, agents, employees and volunteers shall be excess only and not contributing with the insurance provided by this policy. The inclusion of Additional Insureds shall not operate to increase the required limits of such insurance.

C. Notice of Cancellation:

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the District.

D. Acceptability of Insurer:

Insurance must be placed with an admitted insurance carrier (licensed to do business in the State of California), carrying a rating of not less than A-VII in the most current A.M. Best's Insurance Rating Guide; unless otherwise acceptable to the District.

E. Claims Made Policies (typically applicable only to professional liability coverage):

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided ***for at least three (3) years after completion of the contract of work.***
3. If coverage is canceled or non-renewed, and not replaced ***with another claims-made policy form with a Retroactive Date prior to*** the contract effective date, the Contractor must purchase "extended reporting" coverage for a minimum of ***three (3)*** years after completion of work.

F. Verification of Coverage:

Contractor shall furnish District with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) to District before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The District reserves the right to require copies of all required insurance policies, including endorsements required by these specifications, at any time.

G. Special Risks or Circumstances:

District reserves the right to modify these requirements, including limits and additional coverages, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.