

UNIVERSITY OF HOUSTON – ENVIRONMENTAL HEALTH AND RISK MANAGEMENT

CERTIFICATES OF INSURANCE

The University requires a Certificate of Insurance from any vendor providing a service under contract to the University.

A certificate is not a binding document. It is a statement that a person or company has insurance. It requires that notice be given to the certificate holder 30 days prior to the policy being cancelled or amended. The certificate is an indication that a policy is in effect.

The University's Contract Administration Department should be consulted for appropriate contracts, which contain the University's insurance requirements. All contractors/vendors should have the following minimum insurance limits, unless approved in advance by the Environmental Health and Risk Management Department.

Commercial General Liability - \$1,000,000
Commercial Automobile Liability - \$1,000,000
Workers Compensation – Statutory Limits

These are the most common requested by the University, however, other lines of insurance coverage may be required for certain types of exposure and Limits of Liability may vary depending on the type contract.

It is also recommended that insurance carriers have a minimum A.M. Best rating of A-, VIII or better. The agent shown on the certificate or Risk Management can provide you with information regarding these ratings. Ratings indicate the size and financial stability of the insurance company.

There are many alterations to insurance policies that can be noted on the Certificates. The University requires the following:

1. **Additional Insured** – If someone is named an Additional Insured on a policy, it extends the insurance coverage to them. Principally, this means that they can make a claim directly against the policy. The insurance coverage provides the financial security needed to support the indemnification agreement.

Additional Insured Endorsements are required for Commercial General Liability and Automobile Liability Policies. This must be stated on the Certificate of Insurance.

2. **Waiver of the Right of Subrogation** – Insurance companies often pay claims to their insured and then file a claim with the liable party to recover the loss. This is called subrogation. The waiver of subrogation is needed for Workers Compensation coverage to prevent the insurance company from recovering damage from the University. This must be stated on the Certificate of Insurance.

MAINTENANCE RESPONSIBILITY

The Department managing the contract is responsible for maintaining the certificates of insurance. Therefore, it is important that the contractor/vendor is provided the name and mailing address of the individual responsible for the contract maintenance so the Certificate will be sent to the appropriate person. The Certificates of Insurance should be kept in the department's file containing the contract. It is important to check the expiration dates of the insurance policies to be sure Certificates of Insurance are maintained throughout the life of the contract.