

## Certificate of Insurance General Guidelines

The following is a general guideline when reviewing contractor/vendor certificates of insurance for compliance. Each guideline is reflected on the attached [sample certificate](#) of insurance by corresponding number:

- 1) As a rule of thumb, the date the certificate of insurance was issued should not be more than 15 days from the date of its request.
- 2) The name of the "Insured" should be the name of the entity with whom Coastal Carolina University is contracting, unless otherwise noted in the Description of Operations section explaining the relationship (i.e. ownership) between the insured and our contractor/vendor.
- 3) Occasionally a contract may require an insurer to be admitted with minimum AM Best rating. Unless you have an updated AM Best guide, please check with the Office of Risk Management for a review and approval.
- 4) Copies of insurance policies or pages from said policies are NOT acceptable. The required document must be titled "Certificate of Insurance" or "Certificate of Liability Insurance".
- 5) The "Commercial General Liability" form generally should be written on an "Occurrence" basis. The "Claims Made" form may be acceptable in certain situations, such as Architect and Engineers and certain other professionals; however, you should consult with the Office of Risk Management if you notice "Claims Made" has been indicated.
- 6) The Limits of Liability for "Each Occurrence" should be at least as much as required by Coastal Carolina University and the contract. The certificate of insurance should indicate all of the required coverage (i.e. "Products-Completed Operations"). In the case of a "Claims Made" policy, a "General Aggregate" limit higher than the Per Occurrence limit may be required.

### Minimum Insurance Requirements:

- 1) Automobile Liability: \$1,000,000 CSL (including owned, non-owned and hired vehicles);
  - 2) General Liability: \$1,000,000 CSL per occurrence / aggregate
  - 3) Workers Compensation: Statutory
  - 4) Employers Liability: \$250,000/\$500,000/\$250,000
- 7) Coastal Carolina University shall be shown as an Additional Insured in the Description of Operations section. The contractor/vendor is required to add Coastal Carolina University to its Commercial General Liability and Employers Liability insurance policies with the following language:

"Coastal Carolina University, including its current and former trustees, officers, directors, employees, volunteer workers, agents, assigns and students, is added to this policy as additional insured."

Please review the Certificate for the words, "Additional Insured". If you do not see any evidence of "Additional Insured" please advise the contract/vendor that the Certificate of Insurance is unacceptable.

**WATCH!** An ACORD form Certificate of Insurance (ACORD is usually shown at the top left of the form) which has either a back page or a second page attached to it that begins with "IMPORTANT" followed by two paragraphs, the first paragraph reading as follows:

"If the Certificate Holder is an ADDITIONAL INSURED, the policy (ies) **must be endorsed**. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements".

This attachment is **NOT** acceptable to the University. Please contact the contractor/vendor and advise them to submit a new Certificate of Insurance minus this language.

- 8) You may notice the limits of liability shown for Commercial General Liability and/or Automobile Liability may be less than those required by the contract. If necessary, they may be supplemented with Umbrella Liability, provided the combined limits satisfy the minimum requirement and Coastal Carolina University is listed as "Additional Insured" on the Umbrella Policy or the Umbrella policy is noted as "Follow Form" on the certificate.
- 9) "Workers' Compensation" is generally required to comply with South Carolina statute. Coastal Carolina University may require compliance for "all employees" of the contractor in the Construction industry. "Employers Liability" carries basic limits of \$100,000 each accident, \$500,000 Disease-Policy Limit, \$100,000 Disease Each Employee; but the university may on occasion require higher limits. Coastal Carolina University may require additional coverage endorsements, such as Jones Act and/or U.S. Longshoremen and Harbor Workers Act coverage, if the scope of work involves work on U.S. navigable waterways.
- 10) The "Certificate Holder" should be the name and address of the contracting Department/Division who is responsible for monitoring the contract including, preferably, the name of the individual. **"Certificate Holder" is NOT the same as "Additional Insured."**
- 11) A "Policy Number" or binder number should be indicated. Keep in mind, binders are only valid for 30 days in the State of South Carolina.
- 12) The "Effective Date" should be no later than the contract date or the first date that the contractor/vendor begins to perform work for the Coastal Carolina University.
- 13) The "Expiration Date" should be monitored to ensure that renewal certificates of insurance are received on a timely basis.
- 14) Usually "Any Auto" coverage is required. In some instances "Scheduled Autos" may be acceptable. If "Any Auto" is not marked, "Hired Autos" and "Non-Owned Autos" should be indicated.
- 15) Certain contracts may have a scope of work dealing in "Garage Operations" (i.e. repairing, servicing, storing or distributing autos). The insurance industry considers Garage Operation unique and has developed a specific coverage called "Garage Liability". This coverage may satisfy both the Commercial General Liability and Auto Liability requirement; Sometimes the contract may require a higher aggregate in this case.
- 16) Occasionally, other coverage such as Professional Liability, Builder's Risk, Watercraft Liability, Pollution Liability, Fidelity Bonds etc., may be required, and should be indicated in the "Other" section.

- 17) Here the "30" day endeavor to notice requirement should be included or any other number of days as may be required by the contract.
- 18) The Certificate should be signed by the insurance agent or an insurance company representative. Stamped certificates are generally not acceptable.

If you have any questions concerning a certificate of insurance, please contact the Office of Risk Management at 843-349-2955 or 843-349-6438.