



# Quick Tips Insurance Requirements for Goods & Services

University of California, Santa Barbara

When the University purchases good and services, it must obtain proof of insurance from its vendors. The limits of insurance that are required correspond to the risk exposure that doing business with vendors creates for the University. This chart shows the insurance requirements, including the limits of insurance, that vendors must meet based on the types of goods and services that they provide to the campus.

LOW RISK EXPOSURE Goods & Services	MODERATE RISK EXPOSURE Goods & Services	HIGH RISK EXPOSURE Goods & Services
<b>insurance requirements</b>		
General Liability • Per Occ. \$500,000 • Prods. & Com. Ops. \$2,000,000 • Pers. & Adv. Inj. \$500,000 • Gen. Agg. \$2,000,000  Auto Liability \$1,000,000 Workers' Comp. statutory reqts. Regents additional insured 30 Day Notice of Cancellation	General Liability • Per Occ. \$1,000,000 • Prods. & Com. Ops. \$2,000,000 • Pers. & Adv. Inj. \$1,000,000 • Gen. Agg. \$2,000,000  Auto Liability \$1,000,000 Workers' Comp. statutory reqts. Regents additional insured 30 Day Notice of Cancellation	General Liability • Per Occ. \$1,000,000 • Prods. & Com. Ops. \$5,000,000 • Pers. & Adv. Inj. \$1,000,000 • Gen. Agg. \$5,000,000  Auto Liability \$1,000,000 Workers' Comp. statutory reqts. Regents additional insured 30 Day Notice of Cancellation
<b>goods &amp; services</b>		
Advertising Art Athletic equip./cloth'g. Audio equip./supplies Bedding/soft goods Cell phones/ pagers Clothing Computers Copiers Floor coverings Furniture repair Laundry Library coin-op serv. Mailing services Maps Office equipment Office equip. maint. Office supplies Paper Photocopy servs. Personal servs <sup>1</sup> Clerical Classrm. training Data processing Seminars/Workshops Printing/graphics Program development Project development Promotional goods Reports Research <sup>1</sup> Signs Software Speakers Theatrical supplies Tools Toys/childcrafts Trainers <sup>1</sup> Training aids Wall coverings Window coverings Web design	Air conditioning Appliances/repair Applic. nonhaz. mat. Automobiles Auto repair/maint. Beverage equip. Boats/boat maint. Building equipment Building supplies Catering Compressors Delivery services Electrical Electronic Equipm't rental Fasteners Filming Fire equipment Fire supplies Food equipment Furniture Gardening Janitorial supplies Janitorial services Moving services Pavement striping Personnel servs. Photography Plumbing equip. Plumbing supplies Program mngmt. Project mngmt. Pumps Refrigeration Safety equip/supplies Secur. servs. (unarmed) Waste recycling/disp. Telcom equipment Telcom services Towing Trailers Transport Tree trimming Valves & fittings Vehicles/vehicle repair Water service Water treatment Window cleaning X-rays	Air Charters <sup>2</sup> Airport/aviation <sup>2</sup> Ambulance services Bleachers/seating Boat charters <sup>2</sup> Bus charters <sup>2</sup> Chemicals Crane rental/servs. Drugs Elevator maint. Food services Fuel/lubricants Harbor/marine Exhibitions Gases Hazardous waste Hazardous materials Health care services Lab equipment Lab supplies Medical equipment Medical supplies Office trailers Pest control Professional servs <sup>1</sup> Services to minors Special license req'd

## CHART NOTES

- 1) The risk level for personal services, professional services, research, and trainers depends on the nature of their services. Consult with Risk Management to determine appropriate limits.
- 2) Aircraft charters, boat charters, bus charters, airport/aviation are very high risk activities that have their own insurance requirements. Consult with UCSB Risk Management.

## RISK EXPOSURE

Insurance limits are based on UC's exposure to risk when it obtains goods and services from outside vendors. Insurance protects the University by reducing its exposure to the liability of vendors from whom it obtains goods and services. Risk exposure is dependent upon the specific goods and services that the University is obtaining from the vendor, not their cost. Exposure to risk arises from the possibility of loss and the probable severity of injuries or property damage if a loss occurs. Risk exposure assessment is based on experience, case law, common sense, and intuition. A department may submit a [Request for Waiver of Insurance Requirements](#) to UCSB Risk Management to request a reduction or waiver of an insurance requirement. It must demonstrate that a waiver or reduction is justified by a corresponding reduction in risk exposure. A change in the insurance requirements that has the potential to increase the University's exposure to liability must also be justified in terms of the University's ability to accomplish its mission - teaching, research, and community service. Please consult with Risk Management to identify and evaluate risks and set appropriate insurance limits for goods and services not identified on this chart.

## RISK EXPOSURE FACTORS

- High: Moderate chance of loss; severe injuries and property damage could occur. Contact w/non-UC persons. Activities in public realm. Services to minors.
- Moderate: Low to moderate chance of loss; moderate injuries or property damage could occur. Contact with non-UC persons. Activities in public realm.
- Low: Low chance of loss; minor injuries or property damage could occur. Contact primarily with University employees. Activities not in public realm.

## PROFESSIONAL SERVICES RISK

### insurance requirements

In addition to general liability, auto liability, and workers' compensation insurance, the University requires people who provide professional services to carry professional liability insurance. Professional liability is required to cover exposure to the possibility of bodily injury and property damage if the provider of professional services is negligent in the performance of his or her professional duties. Contact UCSB Risk Management to discuss the limits of professional liability insurance required for specific professions.

### professional services

- |                     |                      |
|---------------------|----------------------|
| Ambulance servs.    | Druggists            |
| Analytical chemists | Notaries             |
| Appraisers          | Nurses               |
| Athletic trainers   | Psychiatrists        |
| Attorneys           | Psychologists        |
| Auditors            | Software design      |
| Counselors          | Software development |
| Dentists            | Software programming |
| Doctors             | Testing labs         |