

## **CONTRACTS FOR GOODS AND SERVICES**

When hiring a contractor for goods or services, a written contract is required, verbal agreements are not adequate. Prior to entering into any contract for goods or services, the contractor must provide insurance.

## **CONTRACTS OVER \$10,000**

When the contract amount is over \$10,000, forward the contract and complete insurance documents to the Archdiocese Property Department for review and approval before commencing with the project.

## **SAFETY FIRST GRANT CONTRACTS**

**ALL SAFETY FIRST** Grant contracts and insurance documents, **no matter the amount of the project**, require review and approval by the Risk Manager prior to commencing the project.

## **DONATED LABOR AND SERVICES**

The fact that a contractor is a parishioner or friend and/or is willing to donate their services does not mean that a written contract is not required. Written agreements in these situations are very important. Contractors and service providers who donate services must be treated in the same manner as contractors who are being paid for their services.

- Full insurance must be provided by the contractor.

## **LEASE AGREEMENTS**

When you have agreed to allow an outside party use of your space and/or facilities on a regular basis, a lease should be completed.

All lease agreements, both new and renewed (including all insurance documents) must be submitted to the Property Office for review and approval.

Typically, a Long Term Lease Agreement is for a term of one year or longer. A Short Term Lease Agreement is generally used when the lease period is 6 months or less and the activity is on a periodic basis, ie, use is occasional, for two or three times per week , monthly, etc.

Lease Agreements may be downloaded, filled in electronically and submitted to the Property Office.

## **AGREEMENT FOR SERVICES**

Instances when the use of an Agreement for Services is appropriate could include the the following types of providers:

- Food Services
- Janitorial Services
- Landscape Company
- Chartered Transportation
- Security Service

## **AGREEMENT FOR SERVICES – CHARTERED TRANSPORTATION**

When chartering transportation complete the Agreement for Services for Chartered Transportation, and obtain the following insurance:

- Certificate of Insurance evidencing General Liability with a per occurrence limit of not less than \$1,000,000.
- An Additional Insured Endorsement form naming your insured location and the Archdiocese of Portland as additional insureds.
- A Primary Non-contributory Endorsement stating that the contractor's policy is written on a primary basis.
- Automobile Liability insurance, with per occurrence coverage of not less than \$5,000,000.
- Proof of Workers' Compensation coverage meeting statutory limits (\$1,000,000 preferred and to include Employers Liability must be evidenced.

## **LEASING TO OTHERS WHO WORK WITH MINORS**

In addition to the above stated general liability and Workers' Compensation insurance requirements, independent day care providers and others who work with minors, must evidence a minimum of \$1,000,000 sexual abuse coverage. All contracts and renewal contracts with day care providers should be forwarded to the Property Office for review.

**Important Note:** Be sure that there is always a written contract or agreement in place before services begin. Many insurance policies state that the coverage is contingent "on a written contract."

It is helpful to provide copies of the *Sample Certificate of Insurance* and the *Additional Insured and Primary Noncontributory Endorsement* forms to the other party.

Agreements should not be signed until the insurance requirements have been provided to you.

## **STANDARD INSURANCE REQUIREMENTS FOR CONTRACTORS AND SERVICE PROVIDERS:**

**General Liability Insurance** – a minimum of \$1,000,000 per occurrence coverage is required.

**Automobile Liability** – when applicable, automobile liability of \$1,000,000 per occurrence coverage will be required. When the contractor is a charter transportation company \$5,000,000 will be the minimum required.

**Workers' Compensation** – statutory limits are required, along with evidence of \$1,000,000 Employer's Liability coverage. The policy should be endorsed to waive the right of subrogation of the Archdiocese of Portland.

**Sexual Misconduct/Abuse Liability Coverage** – when the contractor or lessee will be with students/youth, \$1,000,000 sexual abuse coverage will be required.

**IN ADDITION TO THE ABOVE**, both of the following endorsements are required:

**Additional Insured** - An Additional Insured Endorsement form must name the Archdiocese of Portland and the location (name of church, school or location) as additionally insured.

**Primary and Noncontributory** – the Primary and Noncontributory wording will ensure that the contractor's insurance is responsible first, and the Archdiocese's insurance will not be affected in the event of a claim.