



RISK CONTROL MEMORANDUM

To:	Catholic Diocese of Green Bay Parishes, Schools & Other Facilities
Attn:	Business Managers and Buildings & Grounds Committee
Date:	March 2012
From:	Gwendolyn Arps ☐ Risk Control Consultant Direct Line: 920-431-6265 e-mail: gwendolyn.arps@aon.com
Re:	Contracted Worker Risk Management

Many parishes do not fully understand the potential for loss associated with the use of non-employees to perform work on their premises. This lack of understanding may place significant financial burdens on parishes if a non-employee is seriously injured on the job. By taking some simple precautions, you can minimize this potential and safeguard your parish.

Guidelines and Best Practices

Do:

- Do have a written agreement signed prior to the start of any work involving non-employees such as subcontractors, contractors, etc.
- Do include a hold harmless and indemnification agreement in your favor in this agreement.
- Do specify insurance requirements in the agreement.
- Do specify safety requirements in the agreement.
- Do require proof of meeting these insurance requirements through a certificate of insurance.
- Do ask to be named as an additional insured.
- Do request waivers of subrogation for workers compensation and general liability.
- Do monitor work areas to verify the adherence of specified safety rules.
- Do consider workers compensation experience modifiers, drug free work place programs and safety programs when choosing subcontractors, contractors and temporary agencies.
- Do conduct safety orientations with all non-employees who may enter job sites. Topics should include building access, LOTO requirements (if doing electrical work), emergency contacts, PPE expectations, fall protections requirements, and housekeeping expectations.

Don't:

- Don't let any work begin without the agreement being signed.
- Don't let any work begin without proof of insurance.
- Don't sign a contract, agreement or proposal without reading it first.
- Don't allow any of the work to be re-subbed or reassigned without your written permission.
- Don't ignore safety violations.
- Don't hire solely on price.



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Written Contracts

Make sure everything you request is written into the contract. This especially applies to insurance requirements, being named as an additional insured, being held harmless and indemnified, reassignment clauses and safety requirements.

Certificate of Insurance (COI)

This document, from a third party's insurance company, confirms what coverage is in force at the time it is issued and the expiration date. (Updated certificates must be requested annually, prior to expiration if you intent to use the contractor again.)

Hold Harmless (HH) Agreement

This document establishes that one party holds another harmless under described circumstances. E.g., a painter, hired by a building owner, provides the building owner with a HH agreement. The painter spills paint on a nearby car. This document says the painter, not the building owner, is liable for the damages.

*Content from Travelers

This and other Risk Control Memorandums are also available on the Diocese website at:

<http://www.gbdioc.org/facilities-a-properties/risk-control-memos.html>

Aon Risk Solutions

111 N Washington Street, Suite 300, Green Bay, WI 54301 Tel: 920.437.7123
Aon Risk Services Central, Inc.

Re: Documentation of Insurance Coverage

Dear

Please have your insurance carrier provide a **certificate of insurance** with the following minimum requirements.

COMMERCIAL GENERAL LIABILITY:

General Aggregate – apply per location	2,000,000
Products-Completed Operations Aggregate	2,000,000
Personal & Advertising Injury	1,000,000
Each Occurrence Limit	1,000,000
Fire Damage (any one fire)	50,000
Medical Expense	5,000

Policy must include Products-Completed Operations, Independent Contractors, Contractual and XCU

- **Parish Name and Catholic Diocese of Green Bay, Inc.** must be named as Additional Insured's on this policy on a primary & noncontributory basis for both ongoing and completed operations
- **Waiver of Subrogation**

COMMERCIAL AUTOMOBILE LIABILITY:

Combined Single Limit	1,000,000
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Coverage shall apply to Owned, Non-Owned and Hired Vehicles

WORKERS' COMPENSATION AND EMPLOYERS LIABILITY:

Statutory: Wisconsin	
Employers Liability Limits:	
Each Accident	100,000
Disease-Policy Limit	500,000
Disease-Each Employee	100,000

- Optional **Waiver of Subrogation**

COMMERCIAL UMBRELLA LIABILITY:

Each Occurrence	2,000,000
Aggregate	2,000,000

Recommendation: Policies to provide a 30-day notice of cancellation except 10 days for non-payment.