



STATE OF NEW JERSEY

**SCHOOLS DEVELOPMENT AUTHORITY**



*Owner Controlled Insurance Program  
Insurance Procedures Manual  
OCIP II*

*Contracts with a Notice to Proceed date after March 31, 2009*

February 2011

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## *Introduction*

This manual identifies, defines, and assigns responsibilities related to the administration of the New Jersey Schools Development Authority Owner Controlled Insurance Program (NJSDA OCIP).

This manual:

- Describes the NJSDA OCIP and details the insurance-related responsibilities of the various parties involved.
- Provides a basic description of the NJSDA OCIP structure and operation, with an overview of coverage provided by the NJSDA OCIP and guidelines for carrying out specific enrollment, administrative and audit procedures.
- Provides answers to questions that are likely to arise during the course of School Facilities Projects. Because it is impossible to anticipate every question or situation that may arise, the directory lists those involved in the administration of the NJSDA OCIP and their areas of expertise. Please feel free to call with any questions.
- Will be updated as changes dictate during the course of School Facilities Projects.
- ***Does not and is not intended to provide coverage interpretations. The terms and conditions of the policies alone govern how coverage is applied.***

Any changes to the NJSDA OCIP requirements or procedures must be authorized and approved by the Authority. No changes to the OCIP requirements or procedures may be made by any Contractor or Subcontractor.

Nothing contained herein shall modify or invalidate any applicable state regulations or the terms of the policies comprising the NJSDA OCIP program. Nothing contained herein is to be interpreted as altering or changing any of the general or special conditions of the Contract between the Authority and a General Contractor as it pertains to insurance or other duties or responsibilities of any CONTRACTOR or any SUBCONTRACTOR of any tier.

## II. Administration Directory

### Corporate Sponsor

New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Trenton Office	Phone: 609-943-5955 Fax: 609-656-0307 <a href="http://www.njsda.gov">www.njsda.gov</a>
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### Risk Management Unit & Vendor Services

Karon L. Simmonds, CIC New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Director	Phone: 609-341-5949 Fax: 609-656-2641 Mobile: 609-802-5547 <a href="mailto:ksimmonds@njsda.gov">ksimmonds@njsda.gov</a>
Stephanie Ryan, CRIS New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Insurance Specialist	Phone: 609-943-4592 Fax: 609-656-2993 <a href="mailto:sryan@njsda.gov">sryan@njsda.gov</a>
Jeanell Newmuis-Haley, CWCP New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Insurance Analyst	Phone: 609-984-5482 Fax: 609-656-5040 <a href="mailto:jnewmuis-haley@njsda.gov">jnewmuis-haley@njsda.gov</a>
Christopher Sorhaindo New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Insurance Analyst	Phone: 609-341-5911 Fax: 609-656-5047 Mobile: 609-915-1027 <a href="mailto:csorhaindo@njsda.gov">csorhaindo@njsda.gov</a>
Charlotte Brooks New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Project Support Analyst	Phone: 609-943-5954 Fax: 609-656-2699 <a href="mailto:cbrooks@njsda.gov">cbrooks@njsda.gov</a>
Zaida Jackson New Jersey Schools Development Authority 1 West State Street, 5th Floor P.O. Box 991 Trenton, NJ 08625	Project Support Analyst	Phone: 609-943-4584 Fax: 609-656-5027 <a href="mailto:zjackson@njsda.gov">zjackson@njsda.gov</a>

**OCIP Administrative Unit (Consolidated Risk Solutions)**

Steven Petonic Consolidated Risk Solutions 2400 Lakeview Parkway, Suite 275 Alpharetta, GA 30009	OCIP Account Manager	Phone: 866-732-7413 Direct: 678-893-7481 Fax: 866-339-5690 <a href="mailto:Steven.Petonic@c-r-solutions.com">Steven.Petonic@c-r-solutions.com</a>
Mandy Kovach Consolidated Risk Solutions 2400 Lakeview Parkway, Suite 275 Alpharetta, GA 30009	OCIP Account Associate	Phone: 866-732-7413 Direct: 678-566-7287 Fax: 866-339-5690 <a href="mailto:Mandy.Kovach@c-r-solutions.com">Mandy.Kovach@c-r-solutions.com</a>
Yoshi Mizumoto Consolidated Risk Solutions 2400 Lakeview Parkway, Suite 275 Alpharetta, GA 30009	OCIP Account Executive	Phone: 866-732-7413 Direct: 678-893-7488 Fax: 866-339-5690 <a href="mailto:Yoshi.Mizumoto@c-r-solutions.com">Yoshi.Mizumoto@c-r-solutions.com</a>

**Authority Safety Coordinators**

Jacob “Jay” Moneta New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Director	Office: 609-777-1891 Mobile: (609) 462-6720 <a href="mailto:jmoneta@njsda.gov">jmoneta@njsda.gov</a>
Ray Acevedo New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Coordinator	Office: 609-943-5966 Mobile: 609-273-5829 <a href="mailto:racevedo@njsda.gov">racevedo@njsda.gov</a>
Mark Conte New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Coordinator	Office: 609-633-8024 Mobile: 609-273-8384 <a href="mailto:mconte@njsda.gov">mconte@njsda.gov</a>
Jeffrey Dobrowolski New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Coordinator	Office: 609-943-3047 Mobile: 609-351-9871 <a href="mailto:jdobrowolski@njsda.gov">jdobrowolski@njsda.gov</a>

Carlton Payne	Safety Coordinator	Office: 609-777-3478
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New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608		Mobile: 609-203-2179 <a href="mailto:cpayne@njsda.gov">cpayne@njsda.gov</a>
Charles "Bud" Ralston New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Coordinator	Office: 609-943-3047 Mobile: 609-218-2118 <a href="mailto:cralston@njsda.gov">cralston@njsda.gov</a>
Joseph Smanski New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Coordinator	Office: 609-777-3479 Mobile: 609-306-7169 <a href="mailto:jsmanski@njsda.gov">jsmanski@njsda.gov</a>
Henry "Tad" Tallmadge New Jersey Schools Development Authority 32 East Front Street P.O. Box 991 Trenton, NJ 08608	Safety Coordinator	Office: 609-943-5956 Mobile: 609-240-2826 <a href="mailto:htallmadge@njsda.gov">htallmadge@njsda.gov</a>

**OCIP CLAIMS OFFICES/TEAMS**

**Workers' Compensation**

**ACE American Insurance Company (ESIS)**

Worker's Compensation Office

P.O. Box 31080

Tampa, FL 33631-3080

**Toll free fax number for reporting claims: 866-300-8206**  
**Toll free telephone number for reporting claims: 888-709-3646**  
**Toll free claims office number: 800-453-0835**  
**Claims office fax number: 800-611-7048**

*Claim Supervisor*

*Carole Freeman (302) 476-6719*  
*E-Mail: **Carole.Freeman@esis.com***

*Claim Representative (Primary)*

*Cheryl Henley (302) 476-6247*  
*E-Mail: Cheryl.Henley@esis.com*

*Claim Representative (Secondary)*

*Stephanie Horn (302) 476-6287*  
*E-Mail: Stephanie.Horn@esis.com*

*Medical Program Coordinator*

*Carolan Yarczower (302) 476-6235*  
*E-Mail: Carolan.Yarczower@esis.com*

## **General Liability**

### **ACE American Insurance Company (ESIS)**

*General Liability Claims Office*

*P.O. Box 5127*

*Scranton, PA 18505-0559*

***Toll free fax number for reporting claims: 866-300-8206***

***Toll free telephone number for reporting claims: 888-709-3646***

***Toll free claims office number: 800-250-1651***

***Claims office fax number: 800-334-0428***

*Claim Supervisor*

***Jackie Montefusco (215) 640-5306***

*E-Mail: Jacqueline.Montefusco@esis.com*

*Liability Specialist*

***Christine Jones (302) 476-6202***

*E-Mail: Chris.Jones@esis.com*

*Claim Representative*

***Regina Kenny (215) 640-5317***

*E-Mail: Regina.Kenny@esis.com*

**Builders' Risk**

**New Jersey Schools Development Authority**

1 West State Street, 5<sup>th</sup> Floor

P.O. Box 991

Trenton, NJ 08625-0991

**Office number:**

**609-943-5955**

**Office fax number:**

**609-656-0307**

*Insurance Analyst (Primary)*

*Jeanell Newmuis-Haley (609) 984-5482*

*E-Mail: [jnewmuis-haley@njsda.gov](mailto:jnewmuis-haley@njsda.gov)*

*Insurance Specialist (Secondary)*

*Stephanie Ryan, CRIS (609) 943-4592*

*E-Mail: [sryan@njsda.gov](mailto:sryan@njsda.gov)*

## ***INSURANCE POLICY REFERENCE***

### **Workers Compensation**

**Insurance Company: ACE American Insurance Company**

### **General Liability**

**Insurance Company: ACE American Insurance Company**

### **Umbrella/Excess Liability**

**Insurance Company: Various**

**Limits: \$200,000,000** excess of primary

### **Builders' Risk**

**Insurance Company: Liberty Insurance Underwriters, Inc./  
Axis Reinsurance Company**

**Limits: \$200,000,000**

**Deductible: Various**

### *III. NJSDA OCIP Program Definitions*

<b>Additional Insured</b>	The Construction Manager (CM), the Project School District, State of New Jersey and the New Jersey Economic Development Authority shall be “additional insureds”.
<b>Authority Project Manager (PM)</b>	The Authority’s staff person authorized to act on behalf of the Authority with respect to School Facilities Projects and contractual documents.
<b>Authority Safety Coordinator</b>	The Authority’s staff person assigned to oversee the safety and health issues on behalf of the Authority.
<b>Certificate of Insurance</b>	A written document, providing evidence that certain general types of insurance coverage and limits have been purchased and are currently effective.
<b>Construction Manager (CM)</b>	The firm engaged by the Authority to provide overall management services, oversight, direction, coordination and reporting in connection with the construction of the School Facilities Projects undertaken by the Authority.
<b>Eligible Contractors</b>	All General Contractors and Subcontractors of any tier, providing direct labor on a School Facilities Project Site (by contrast, see definition of Ineligible Subcontractors, below). Temporary labor services and leasing companies are to be treated as Subcontractors.
<b>Ineligible Contractors</b>	Ineligible contractors include, but are not limited to, consultants, suppliers (that do not perform or subcontract installation), vendors, materials dealers, guard services, janitorial services, truckers (including trucking to the construction project where delivery is the only scope of work performed), and other Temporary Project Services (not including temporary labor services), Lead, Asbestos & Hazardous Materials Abatement and Offsite Fabricators.

<b>Insured</b>	New Jersey Schools Development Authority (Authority),, including all eligible Contractors and Subcontractors of any tier who are enrolled in the NJSDA OCIP and for whom the Authority has agreed by contract to furnish wrap-up for School Facilities Project purposes.
<b>NJSDA (Owner)</b>	The New Jersey Schools Development Authority (Authority).
<b>OCIP Administrative Unit or OCIP Administrator</b>	The firm responsible for the administration of the NJSDA OCIP.
<b>OCIP Forms</b>	These are the forms that are required for the NJSDA OCIP: Form 1101: Contractor/Subcontractor OCIP Enrollment Form Form 1103: Project Site Payroll Reporting Form Form 1104: Notice of Substantial Completion Form
<b>OCIP Safety Consultant</b>	These representatives are employees of the Insurers and Brokers who will provide safety-consulting services to School Facilities Projects and its contractors enrolled in the NJSDA OCIP.
<b>Off-Site Activities</b>	Activities performed at another location other than the School Facilities Project.
<b>On-Site Activities</b>	Those activities at the School Facilities Project(s), or emanating there from, such as adjacent sidewalks, streets, and contiguous areas. The NJSDA OCIP does not provide insurance coverage for permanent yards or other locations of any Contractor/Subcontractor.
<b>Owner</b>	Refers to the New Jersey Schools Development Authority.
<b>Owner Controlled Insurance Program (OCIP) or (NJSDA OCIP)</b>	The Owner Controlled Insurance Program (NJSDA OCIP) under which Workers' Compensation, Commercial General Liability, Excess Liability and Builder's Risk coverages are procured or provided on a construction project "wrap-up" basis for all eligible Contractors and Subcontractors of any tier, who have been properly enrolled, while performing operations at a School Facilities Project.

<b>Project Sites</b>	Physical location(s) of the NJSDA School Facilities Project(s) where work is being performed. Detailed schedules are on file with the insurance carriers.
<b>Risk Management Unit</b>	The Authority's unit dedicated to managing the NJSDA OCIP, including the related safety-consulting services.
<b>School Facilities Project</b>	The acquisition, demolition, construction, improvement, repair, alteration, modernization, renovation reconstruction or maintenance of all or any part of a School Facility or of any personal property necessary for or ancillary to any School Facility.

## *IV. The Owner Controlled Insurance Wrap Up Program (NJSDA OCIP)*

### **NJSDA OCIP OVERVIEW**

The New Jersey Schools Development Authority (Authority), an independent authority of the State of New Jersey, has elected to implement an Owner Controlled Insurance Program (NJSDA OCIP) to provide Workers' Compensation, Employers Liability, General Liability, Excess Liability, and Builder's Risk Coverage for eligible Contractors and Subcontractors, of any tier, providing direct labor to the Authority's School Facilities Project (Project). The Authority agrees to pay all premiums associated with the NJSDA OCIP, including deductibles or self-insured retention (giving the Contractor and Subcontractors first dollar coverage), unless otherwise stated in the contract documents. While the NJSDA OCIP is intended to provide broad coverage and high limits, the NJSDA OCIP is not intended to meet all the insurance needs of the Contractor or Subcontractors.

We recommend that Contractors and Subcontractors discuss the NJSDA OCIP with their insurance agent or consultant to assure that other proper coverages are maintained.

### **NJSDA OCIP ENROLLMENT REQUIREMENTS**

Each eligible Contractor and Subcontractor must follow the enrollment process shown in the Enrollment Process Exhibit, Form 1102.

Contractors and Subcontractors, of every tier, will not be permitted to start any construction work until they have submitted all required NJSDA OCIP enrollment forms and received confirmation from the NJSDA OCIP Administrative Unit of project enrollment. Insurance certificates validating contractor insurance coverage for non-NJSDA OCIP related construction projects should be attached and included with the Contractor/Subcontractor Enrollment Form 1101 (Form 1101). It is the General Contractor's responsibility to obtain, validate, and retain insurance certificates from eligible subcontractors of every tier (validating insurance coverage for non NJSDA OCIP related construction projects) during eligible Subcontractor NJSDA OCIP Program enrollment.

Contractors should submit the Form 1101 to the NJSDA OCIP Administrative Unit, PO Box 991, Trenton, NJ 08625-0991, Attn.: OCIP Administrator; Fax: 609-656-0307. All other OCIP Forms (Form 1103 and Form 1104) should be sent directly to Consolidated Risk Solutions, 2400 Lakeview Parkway, Suite 275, Alpharetta, GA 30009, Attn.: Mandy Kovach; Fax: 866-339-5690, or email: [Mandy.Kovach@c-r-solutions.com](mailto:Mandy.Kovach@c-r-solutions.com).

Contractors and Subcontractors should also submit to Consolidated Risk Solutions the ratings pages from their Workers Compensation and General Liability policies. Contractors and Subcontractors should contact their respective brokers or agents for this information.

### ***A. APPLICABILITY OF NJSDA OCIP COVERAGE***

Participation in the NJSDA OCIP Program is mandatory, but not automatic, unless otherwise determined by the Authority.

The General Contractor is required to notify the NJSDA OCIP Administrative Unit of all Subcontractors, of any tier, eligible for NJSDA OCIP Program enrollment. Any failure to comply will result in negating coverage under the NJSDA OCIP Program and insurance coverage will be the responsibility of the General Contractor. Any questions should be directed to the NJSDA OCIP Administrative Unit. Please refer to enrollment procedures shown in the Enrollment Process Exhibit, Form 1102.

The School Facilities Project Site is designated by the Authority and on file with the NJSDA OCIP Insurance Carriers. The School Facilities Project includes operations necessary or incidental to the work. The Contractor's or Subcontractor's regularly established workplace, plant, factory, office, shop, warehouse, yard or other property even if such operations are for fabrications of materials to be used at the job site or training of apprentices will be considered off site.

Subcontractors ineligible for inclusion in the NJSDA OCIP program will be required to maintain their own insurance, of the coverage types and limits as shown in the General Conditions of the Contract for ineligible subcontractors. Contractors will promptly furnish the Authority, or their designated representative, certificates of insurance giving evidence that all required insurance is in force.

Even if ineligible for inclusion in the OCIP program, all subcontractors are required to participate in the Authority's Project Safety Program and must receive approval through the NJSDA's Subcontractor Approval Process.

**B. NJSDA OCIP PROVIDED INSURANCE COVERAGE AND LIMITS**

Through a combination of insured and self-insured programs, the Authority, at its sole expense, will provide and maintain in force the types of insurance listed in subsection (1) through (4) below as a part of the Owner Controlled Insurance Program (NJSDA OCIP) for all eligible General Contractors and Subcontractors of any tier. The General Contractor agrees, and shall have all eligible Subcontractors (of any tier) enrolled in the NJSDA OCIP agree, that the insurance company policy limits of liability, coverage terms, and conditions shall determine the scope of coverage provided by the NJSDA OCIP.

1. Workers' Compensation and Employers' Liability Insurance shall be provided in accordance with applicable state laws. Each enrolled Contractor and all tiers of enrolled Subcontractors shall receive a separate Workers' Compensation policy. Limits of liability and coverage will be as follows:

Workers' Compensation:	Applicable State Statutory Benefits	
Employers' Liability:	\$1,000,000	Bodily Injury Each Accident
	\$1,000,000	Bodily Injury by Disease – Policy Limit
	\$1,000,000	Bodily Injury by Disease – Each Employee

2. Commercial General Liability Insurance shall be provided on an "occurrence" form under a master liability policy. Certificates of insurance will be provided to Contractors and all eligible Subcontractors reflecting the following limits of liability, coverage and terms:

- (a) Limit of Liability:
  - (i) \$2,000,000 Bodily Injury and Property Damage Liability Combined Single Limit Each Occurrence (Per Region)
  - (ii) \$5,000,000 General Aggregate Limit (Per Region – reinstated annually)
  - (iii) \$5,000,000 Products/Completed Operations Aggregate (Per Region)
  - (iv) \$2,000,000 Personal and Advertising Injury

(b) Coverage and Terms shall include, but not be limited to, the following:

- (i) Occurrence Basis;
- (ii) Products/Completed Operations Extension (Ten Year Term after Project Final Completion or the statute of repose, whichever is less);
- (iii) Contractual Liability to cover liability assumed under the agreement;
- (iv) Independent Contractor's Liability;
- (v) Personal Injury;
- (vi) Explosion, Collapse, and Underground (X, C, U); and
- (vii) Designated Premises Only

3. Excess Liability Insurance shall be provided under a master Excess Liability program. Certificates of insurance will be provided to Contractors and all eligible Subcontractors reflecting the following limits of liability:

Limits of Liability:	\$200,000,000 per occurrence
	\$200,000,000 annual statewide aggregate

4. Builders' Risk Insurance shall provide "All-Risk" coverage on a replacement cost basis. This insurance will include the interests of the Authority, Contractor, and all tiers of eligible enrolled Subcontractors providing direct labor on a School Facilities Project:

Limits:	\$200,000,000
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The Builder's Risk shall not provide coverage against loss by theft or disappearance of any materials (unless the materials are to be incorporated into the School Facilities Project), tools or equipment of the Contractor or any tier of Subcontractor, or any other person furnishing labor or materials for the Project. The Contractor agrees to indemnify, defend, and hold the Authority and its officers, agents, and employees harmless from any such loss, theft, or disappearance.

All NJSDA OCIP insurance coverage shall be either written by insurance companies or shall be self-insured by the Authority. These policies are available for review by the Contractor and Subcontractor upon request to the Authority. The terms of such policies or programs, as such policies or programs may be from time to time amended, are incorporated by reference. Contractor and Subcontractor agree to be bound by the terms of coverages as contained in such insurance policies and/or self-insured programs.

### ***C. NON-NJSDA OCIP / CONTRACTOR-PROVIDED INSURANCE COVERAGE AND LIMITS***

Contractor insurance certificate requirements, outlined in Contract General Conditions, remain in effect.

Certificates of Insurance are required from General Contractors and eligible Subcontractors, of every tier, to confirm off-site insurance coverage applicable to all construction project activity not requiring NJSDA OCIP Program enrollment. General Contractors will attach off-site insurance certificates to NJSDA OCIP Enrollment Form 1101 and send to NJSDA OCIP Administrative Unit for NJSDA OCIP enrollment.

Eligible subcontractors, of any tier, will attach their off-site insurance certificates to the NJSDA OCIP Enrollment Form 1101 and send to the General Contractor. The General Contractor will

validate and send the Subcontractors' NJSDA OCIP Enrollment Form 1101 and their off-site insurance certificates to NJSDA OCIP Administrative Unit for NJSDA OCIP enrollment.

The NJSDA OCIP provides no coverage for:

- Automobile Liability
- Contractor Equipment Floater
- Asbestos Removal or Lead Abatement
- Payment and Performance Bonds
- Off-site General Liability and Off-site Workers' Compensation
- Professional Liability
- Pollution Liability

### **Supplemental Insurance Requirements of Contractor and Subcontractors**

Prior to undertaking any Work under the Contract, the Contractor shall maintain, and/or cause its Subcontractors to maintain, at their own cost and expense evidence of a policy or policies of insurance as enumerated below. The Contractor and its Subcontractors shall be responsible for maintaining such coverages after Final Completion and during the warranty period for the Project. The Contractor warrants they will notify the Authority in writing of any reduction in the aggregate coverage within thirty (30) Days.

The following are the exposures on-Site and off-Site for which the Contractor and Subcontractors must obtain insurance coverage in addition to OCIP insurance requirements:

#### **Pollution Liability:**

In the event that the Contractor's and Subcontractor's efforts involve Pollution Liability exposure (including asbestos and lead work, hazardous material abatement, transportation and/or disposal), the Contractor is required to maintain, or cause to be maintained, Pollution Liability insurance and, if necessary, Commercial Umbrella Insurance, with minimum limits of \$5,000,000 per occurrence and \$5,000,000 aggregate which protects the insureds from any and all claims that may arise out of or in consequence of any service or Work performed on this Project. If the Contractor performs Work and also utilizes the efforts of Subcontractors, insurance coverage must extend to them.

The policy shall name the Authority, the EDA, the State, the CM, the Design Consultant, the Project School District and their respective officers, employees and agents as Additional Insureds. This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to the Authority. In addition, the Contractor may be required to name other parties as Additional Insureds prior to the

initiation of such work, and shall comply with all laws, ordinances, rules and regulations of Federal, State, county and municipal authorities in the performance of said Work.

**Off-Site and On-Site Business Automobile Liability:**

Business Automobile Liability and, if necessary, Commercial Umbrella Insurance covering the operations, maintenance and use, loading and unloading of all owned, hired, and non-owned vehicles used for or in connection with the Project. The limits of liability shall not be less than \$1,000,000 combined single limit each accident. Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability-Broadened Coverage for covered autos endorsement, CA 99 48, shall be provided, and the Motor Carrier Act endorsement (MCS-90) shall be attached.

**Off-Site Workers' Compensation and Employer's Liability:**

Workers' Compensation Insurance in accordance with the laws of the State of New Jersey and any other state or Federal jurisdiction as is required to protect the employees of the Contractor or any Subcontractor engaged in the performance of Work on the Project. This policy shall include Employer's Liability protection with a limit of liability of not less than the following:

Bodily Injury by Accident	\$500,000 each accident
Bodily Injury by Disease	\$500,000 each employee
Bodily Injury by Disease	\$500,000 policy limit.

**Off-Site Commercial General Liability:**

Commercial General Liability Insurance, written as broad as the standard coverage form in use in the State of New Jersey as of the Effective Date of the Contract. This insurance shall not be circumscribed by any endorsements limiting the coverage. The policy shall include coverage for contractual liability, products, completed operations and any explosion, collapse and underground (X,C,U) operations. Limits of liability shall not be less than \$1,000,000 Bodily Injury and Property Damage combined single limit for each occurrence, with excess or umbrella coverage with the same terms and conditions as the underlying coverage in an amount such that the primary and excess/umbrella coverage equals \$1,000,000. The policy shall either be endorsed to exclude the Project, or, if the policy includes the Project, such coverage must be endorsed as Excess and/or Difference in Conditions ("DIC") of OCIP coverage, and the cost thereof shall not be charged to or paid by the Authority.

**Off-Site and On-Site Contractors Equipment:**

The Contractor shall purchase and maintain Contractor's property insurance covering construction machinery, whether or not the capital value of the machinery has been included in the Contract, equipment, and tools used by the Contractor in the performance

of the Work. Such coverage shall be written on a policy form at least equivalent to that provided by a "Contractor's Equipment Floater," as such is customarily defined within the insurance industry. The Contractor shall notify all tiers of Subcontractors of their obligation to insure any machinery, equipment and tools used by the Subcontractors in the performance of the Work.

**Right to Remedy:**

If the Contractor fails to provide insurance as required in this Section, the Authority shall have the right, but not the obligation, to purchase such insurance. In such event, the Contract Price shall be reduced by the amount paid for such insurance.

**No Recourse:**

There shall be no recourse against the Authority or the State for payment of premiums or other amounts with respect to the insurance required by this Section.

**Disclaimer:**

The Contractor and each subcontractor has responsibility to make sure that their respective insurance programs fit their particular needs, and it is their responsibility to arrange for and secure any insurance coverage, at their own expense, that they deem advisable, whether or not specified herein.

**D. PROGRAM TERMINATION OR MODIFICATION**

The Authority reserves the right to terminate or to modify the NJSDA OCIP or any portion thereof. To exercise this right, the Authority shall provide thirty (30) days advance written notice of termination or material modification to the Contractor and all Subcontractors covered by the NJSDA OCIP. In such event, the Contractor shall promptly procure and maintain liability insurance, as specified in General Conditions, to protect the General Contractor, the Authority, the EDA, the New Jersey Department of Education, the State, the CM, the Design Consultant, and the Project School District, and their respective officers, employees, and agents against claims of or relating to bodily injury (including death) to persons or damage to property which may arise from or in connection with the performance of the Work (whether performed on-site or off-site) by the General Contractor, its employees, officers, agents, Subcontractors or other individuals or entities for whom the General Contractor may be contractually or legally responsible from the date of execution of the contract until contract completion.

**Where a Contractor or Subcontractor has completed its contract work at a Project site and its insurance provided by the NJSDA OCIP Program has terminated as a result of the completion of contract work, if such Contractor or Subcontractor returns to the site to perform warranty work, it does so under its own insurance coverages and not under those provided by the NJSDA OCIP Program.**

**E. GENERAL CONTRACTOR / SUBCONTRACTOR RESPONSIBILITIES**

The Authority will be responsible for the payment of all premiums associated solely with the Owners Controlled Insurance Program (NJSDA OCIP) and will be the sole recipient of any dividend(s) and/or return premium(s) generated by the NJSDA OCIP. In consideration of the Authority's provision of said

coverages under the NJSDA OCIP program, the Contractor agrees, and will require all Subcontractors of all tiers to agree, to:

- Submit Price Proposals **Net of Insurance**, excluding all applicable insurance expenses and policy costs allocated to the Project for on-site Workers' Compensation, Employers Liability, General Liability, Excess Liability, Owner's Contractor's Protective Liability and Builder's Risk insurance.
- Irrevocably assign to and for the benefit of the Authority, all return premiums, premium refunds, premium discounts, dividends, retentions, credits, and any other monies in connection with the NJSDA OCIP insurance.
- Complete and send the **Contractor/Subcontractor Enrollment Form, Form 1101**, to the NJSDA OCIP Administrative Unit, PO Box 991, Trenton, NJ 08625-0991, Attn.: OCIP Administrator; fax: 609-656-0307.
- Send the **Workers Compensation and General Liability policy rating pages**, to Consolidated Risk Solutions, 2400 Lakeview Parkway, Suite 275, Alpharetta, GA 30009, Attn.: Mandy Kovach; fax: 866-339-5690, or email: [Mandy.Kovach@c-r-solutions.com](mailto:Mandy.Kovach@c-r-solutions.com).
- Deliver monthly the **Project Site Payroll Reporting Form, Form 1103**, to Consolidated Risk Solutions, 2400 Lakeview Parkway, Suite 275, Alpharetta, GA 30009, Attn.: Mandy Kovach; fax: 866-339-5690, or email: [Mandy.Kovach@c-r-solutions.com](mailto:Mandy.Kovach@c-r-solutions.com). (Certified Payroll Reports are not acceptable.)
- Send the **Notice of Substantial Completion Form, Form 1104**, to Consolidated Risk Solutions, 2400 Lakeview Parkway, Suite 275, Alpharetta, GA 30009, Attn.: Mandy Kovach; fax: 866-339-5690, or email: [Mandy.Kovach@c-r-solutions.com](mailto:Mandy.Kovach@c-r-solutions.com), upon completion of all Project work under the Contract or subcontract.
- Ensure that no eligible Subcontractor shall commence work at the project until it has received prior enrollment confirmation from the NJSDA OCIP Administrator.
- Comply, within mandated timeframes, with applicable NJSDA Safety and Insurance Procedures outlined in respective manuals.
- Cooperate with any insurance company claims, safety, or administrative personnel with respect to requests for payroll, loss, claims, or other information required under the NJSDA OCIP Program.
- Attend periodic meetings regarding NJSDA OCIP Program Administration, Claims Review, and Safety.

## ***F. INDEPENDENT OBLIGATIONS***

The General Contractor's insurance obligations contained in this manual are separate from and in addition to the General Contractor's indemnification obligations contained in the Contract.

**G. OTHER INSURANCE**

Any type of insurance or any increase of limits of liability not described in this manual, which the General Contractor requires for its own protection or on account of any statute, or which is otherwise required by the contract, shall be its own responsibility and at its own expense.

**H. WAIVER OF SUBROGATION**

The Contractor waives all rights of subrogation and recovery against the Authority and other subcontractors of all tiers to the extent of any loss or damage, which is insured under the NJSDA OCIP Program. Notwithstanding the foregoing and not by way of limitation of the same, the General Contractor waives its rights of subrogation and recovery for damage to any property or equipment against the Authority and other subcontractors of all tiers. The General Contractor shall require all subcontractors of all tiers to similarly waive their rights of subrogation and recovery in each of their respective construction contracts with respect to their contract work.

**I. NO RELEASE**

The provision of the NJSDA OCIP by the Authority shall in no way be interpreted as relieving the Contractor or any Subcontractor of any other responsibility or liability under the contract documents or any applicable law, statute, regulation, or order.

**J. APPROVAL OF FORMS AND COMPANIES**

All insurance described in this manual shall be written by an insurance company or companies satisfactory to the Authority, licensed or approved to do business in New Jersey, and shall be in a form and content satisfactory to the Authority. No party subject to the provisions of the Contract shall violate, or knowingly permit to be violated, any of the provisions of the policies of insurance described herein.

## V. Accident Reporting and Claims Procedures

When accidents happen, everyone needs to work together. Even though the Contractors and each Subcontractor have instituted tough safety measures, work-related accidents may occur. When they do, the NJSDA OCIP Claims Team is ready to serve the Contractors and Subcontractors. However, the Claims Team will need the help of the Contractors and Subcontractors, if they are to perform this service in the most effective and efficient manner.

The Insurer will have a claims adjuster available to handle all Commercial General Liability, Workers' Compensation and Builder's Risk claims, which are above the appropriate deductible. In addition, the Insurer will arrange for legal counsel to handle all lawsuits emanating from the project.

Never discuss any accident or claim with anyone except authorized representatives of the Authority, the Contractor, the Insurer(s), and the New Jersey Schools Development Authority's Insurance Broker or Law Enforcement agencies.

### *The Reporting Responsibilities of the Contractors:*

All accidents resulting in employee injury, property damage, or involving the public must be reported by the injured/responsible worker's Subcontractor Competent Person (if a Subcontractor employee) or by the General Contractor Safety Coordinator (if a Contractor employee) immediately to the NJSDA Safety Coordinator, Insurer's Claims Representative and the CM.

It is the Contractor's responsibility to ensure that related reports are electronically transmitted to the NJSDA Safety Coordinator, the Risk Management Unit (RMU), and the CM, describing the occurrence, how the injured was treated onsite, or at the designated medical facility, and any follow-up treatment necessary for the worker(s) involved.

- For a **minor incident**, when the worker(s) was treated onsite, the report must be filed with the NJSDA Safety Coordinator and the Risk Management Unit (RMU), within twenty-four (24) hours.
- For a **major incident**, when the worker(s) was taken to the designated medical facility, the NJSDA Safety Coordinator and the Risk Management Unit (RMU), must be contacted immediately by telephone.

### *Conducting the Accident Investigation:*

- a. The General Contractor Safety Coordinator shall complete a Project-specific accident investigation report:
  1. Form 1108-Workers' Compensation Incident Report
  2. Form 1109-General Liability Incident Investigation Report
  3. Form 1110-Builder's Risk Incident Investigation Report
- b. The Contractor shall cooperate, and require the cooperation of all subcontractors, in the investigation, analysis, and defense of any claim, accident, occurrence, or insured loss. The accident investigation report shall be completed by the end of the working day/shift of the accident. Identification and review of accident causes

shall be established and completed, identifying corrective actions, persons responsible for corrective actions, and date of completion. Follow-up documentation verifying corrective actions shall be required.

- c. Copies of all accident investigation documentation shall be submitted to the CM, the NJSDA Safety Coordinator, and the Risk Management Unit (RMU). If required by law, injury notification to OSHA shall be made by the General Contractor, which shall then also notify the CM, the NJSDA Safety Coordinator, and the Risk Management Unit (RMU) or designee immediately.

### ***Claims Reporting Procedures:***

#### **A. WORKERS' COMPENSATION CLAIMS**

Any Employee involved in an incident, whether injured or not, must immediately notify their Supervisor, Subcontractor Competent Person or General Contractor Safety Coordinator. The Employee may decline to receive medical treatment; however, the incident must be recorded.

##### **1. Accident reporting procedures**

- a. Seek immediate medical attention for the injured person(s). Immediately notify your Subcontractor Competent Person or the General Contractor Safety Coordinator of the situation.
- b. If medical treatment is needed:
  1. The Employee's Supervisor will direct the Employee to the appropriate managed care facility. The Supervisor or someone designated by the Supervisor will take the injured Employee to the facility and remain with the Employee during the visit. The Employee must bring the Authorization for Medical Treatment form with him to the managed care facility.
  2. If the Employee was injured, but wants to waive medical attention, the Employee must sign the declaration portion of the Supervisor's Incident Investigation Report. The Supervisor should note "Incident Only" in the space provided for physician/hospital information. The Supervisor will provide the completed form to the General Contractor Safety Coordinator, as soon as possible, but no later than the end of the next business day.
- c. The General Contractor Safety Coordinator must complete the Workers' Compensation Incident Report Form 1108 and the injured worker's employer must complete the "Workers' Compensation – First Report of Injury or Illness" (Form IA-1). These forms should be forwarded to the NJSDA Safety Coordinator, the CM, and the Risk Management Unit (RMU).
- d. Report claim to ACE AMERICAN INSURANCE COMPANY (ESIS) via telephone, **(888) 709-3646**, or by fax, **(866) 300-8206**, before the end of the day.
- e. ***All medical bills, hospital bills, etc., should be forwarded to ACE AMERICAN INSURANCE COMPANY (ESIS), identifying the injured employee and the claim number.***

Upon receipt of the Acknowledgement of Claim from ACE AMERICAN INSURANCE COMPANY (ESIS), the Risk Management Unit (RMU) will provide General Contractor with a copy, so you can record the Claim number for future reference.

2. **CATASTROPHIC/TRAUMATIC INJURIES**

In the event that a catastrophic or traumatic injury occurs, the Employee's Supervisor is to call 911 immediately. The General Contractor Safety Coordinator will then call ACE AMERICAN INSURANCE COMPANY (ESIS) at **(888) 709-3646**. All of the reports and procedures listed above are to be followed.

3. ***Principal's Meeting for Lost Time Accidents***

If a Contractor or Subcontractor Employee experiences or causes a lost-time accident on the Project, the CM, the NJSDA Safety Coordinator and the Risk Management Unit (RMU), or designee shall attend a meeting at the job site to discuss the incident. This meeting will be called by the CM and will be held within seventy-two (72) hours from the time of the incident.

**B. GENERAL LIABILITY CLAIMS**

Any occurrence that involves Bodily Injury or Property Damage to members of the public that is NOT caused by an automobile accident.

Any Incident involving injury or damage to the general public is considered a General Liability loss. The Supervisor must record the details of the incident on the General Liability Incident Investigation Report. The Supervisor must give the report to the General Contractor Safety Coordinator, as soon as possible, but no later than the end of the business day.

***NO ONE IS TO MAKE ANY STATEMENTS TO THE MEDIA. DIRECT ALL MEDIA REQUESTS TO THE OWNER.***

1. ***Accident reporting procedures***

- a. Secure the scene of the incident. Do not allow persons or objects to leave or be removed from the scene. If appropriate, a photograph of the scene may be taken by the General Contractor Safety Coordinator. Do not admit or comment on liability.
- b. Medical treatment is at the option of the injured party. In the case of an emergency, call 911 immediately. Immediately notify your Subcontractor Competent Person or the General Contractor Safety Coordinator of the situation.
- c. The General Contractor Safety Coordinator must complete the General Liability Incident Report Form 1109 and forward to the NJSDA Safety Coordinator, the CM, and the Risk Management Unit (RMU).
- d. Report claim to ACE AMERICAN INSURANCE COMPANY (ESIS) via telephone, **(888) 709-3646**, or by fax, **(866) 300-8206**, before the end of the day.
- e. ***All investigation reports, pictures, medical bills, hospital bills, etc., should be forwarded to ACE AMERICAN INSURANCE COMPANY (ESIS), identifying the claimant and claim number.***

Upon receipt of the Acknowledgement of Claim from ACE AMERICAN INSURANCE COMPANY (ESIS), the Risk Management Unit (RMU) will provide General Contractor with a copy, so you can record the Claim number for future reference.

## **2. Report of Accidents Involving School Occupants**

The General Contractor shall make reporting of any incidents, accidents, or injuries involving teachers, students, staff, or the general public, immediately to the CM, the NJSDA Safety Coordinator, and the Risk Management Unit (RMU). A thorough written investigation of any incident or accident must be completed by the end of the working day/shift of the accident by the General Contractor with a copy to the CM, the NJSDA Safety Coordinator and the Risk Management Unit (RMU) or designee.

## **C. BUILDERS' RISK CLAIMS**

Any occurrence where damage occurs to the building, building equipment, raw materials or installed equipment. This does not cover the business personal property of the Contractor or Subcontractor.

### **1. Accident reporting procedures**

- a. Immediately notify your Subcontractor Competent Person or the General Contractor Safety Coordinator of the situation.
- b. General Contractor Safety Coordinator must complete the Builders Risk Incident Report Form 1110 and forward to the NJSDA Safety Coordinator, the CM and the Risk Management Unit (RMU).
- c. Incidents that result in damage to third party, public property or bodily injury to school children or other individuals, shall be reported on a Form 1109-General Liability Incident Report, as outlined above.
- d. Report claim to the Risk Management Unit (RMU) via fax, **(609) 656-0307**, within 24 hours.
- e. Take photographs and preserve damaged property.
- f. The procedure to be followed regarding alleged damage to existing structures is the General Contractor shall review the file copy of the Pre-Construction Survey that was performed prior to commencement of any construction.

Upon receipt of the Acknowledgement of Claim from the insurance company, the Risk Management Unit (RMU) will provide General Contractor with a copy, so you can record the Claim number for future reference.

## **D. DUTIES IN THE EVENT OF OCCURRENCE, CLAIMS OR SUIT**

1. Follow the claims reporting procedures above. You must see to it that ACE AMERICAN INSURANCE COMPANY (ESIS), and the Risk Management Unit (RMU), are notified promptly of an "occurrence" which may result in a claim. All notices should include:
  - a. How, when and where the "occurrence" took place, and;
  - b. The names and addresses of any injured persons and witnesses.
2. If a claim is made or a "lawsuit" is brought against any insured, you must provide a copy of the notice of the claim or the "lawsuit" to the Risk Management Unit (RMU) immediately.

3. You and any other involved insured must:
  - a. Cooperate with the Insurer in their investigation, settlement or defense of the claims or “suit”; and
  - b. Assist the Insurer, upon their request, in the enforcement of any right against any person or organization, which may be liable to the insured because of injury or damage to which this insurance may also apply.
4. No Insured will, except at their own cost, voluntarily make a payment, assume any obligation or incur any expense, other than for first aid, without Insurer’s consent.

***E. AUTOMOBILE CLAIMS***

Even though no Automobile Liability or Physical Damage coverage is provided under the NJSDA OCIP, the Contractor/Subcontractor must notify the Risk Management Unit (RMU) in writing of any automobile accident, which could be related to the project. This should be done as soon as possible following the accident.

***F. CONTRACTOR’S EQUIPMENT CLAIMS***

Even though no coverage is provided under the NJSDA OCIP for loss of or damage to Contractor’s or Subcontractor’s owned equipment the Contractor/Subcontractors must notify the Risk Management Unit (RMU) in writing, of any loss or damage to their equipment at the project. This should be done as soon as possible, following first knowledge of loss or damage.

***G. MISCELLANEOUS CLAIMS NOTES***

Any claims adjuster representing a Contractor/Subcontractor’s normal insurer who seeks to come onto School Facilities Project site must obtain written authorization from the Risk Management Unit (RMU).