



CHAPTER HOUSE RENOVATION PROJECTS

Housing Corporations are constantly identifying and making decisions as to what construction and repair projects are warranted to ensure that the facility remains in good physical condition. As the planning process takes place, there are a number of insurance and risk management related items to consider which can potentially reduce the liability exposure of the House Corporation and its board members.

- Utilize only licensed and bonded contractors – many states and municipalities provide online search features to verify the status of a license; some may provide other details related to complaints, fines, judgments, etc.
- Consider examining the contractor's history with your local Better Business Bureau
- Obtain references for the contractor
- Confirm the contractor carries General Liability Insurance to respond to claims arising from the legal liability of the contractor that can result in property damage or bodily injury
- Mandate that the contractor carry minimum required General Liability policy limits of at least \$1,000,000 Per Occurrence, \$2,000,000 Aggregate, \$1,000,000 Products Completed Operations limit and \$1,000,000 Hired & Non-Owned Auto Liability limit.
- Evaluate the need to potentially require higher limits of liability limits based on the scope and cost of the construction project.
- Mandate that the contractor's General Liability policy include a Waiver of Subrogation Clause favoring the House Corporation and includes the Inter/National Fraternity and House Corporations as an Additional Insured.
- Mandate that the contractor carry Worker's Compensation and Employer's Liability Insurance with a minimum required limit of at least \$500,000
- Contact your Holmes Murphy Client Service Consultant to confirm that the appropriate Builders Risk coverage is in place either through the FPMA Property Program or another insurance market
- Obtain a Certificate of Insurance documenting the appropriate insurance coverage is in place
- Have an attorney review the construction contract to ensure all legal implications are identified and effectively addressed.
- Ensure all sub-contractors carry the same insurance coverages and minimum limits of liability as required of the General Contractor.
- Refrain from allowing alumni and/or undergraduate members of the organization to perform the work if they do not meet the other qualifications.



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