Fact Sheet
Request for Waiver of UC Insurance Requirements

REFERENCE
1) Business & Finance Bulletin BUS-63
2) BUS-63, Vendor Insurance Matrix
3) Fact Sheet - Exemptions to UC Insurance Requirements
4) Fact Sheet - UC Vendor/Contractor Insurance Program

POLICY
Business & Finance Bulletin BUS-63 allows campus risk managers to make exceptions to published insurance requirements in consultation with campus administrators subject to a risk identification analysis. The campus Risk Management Office may conclude that coverage requirements may be waived if the associated risk is negligible.

DISCUSSION
UC requires providers of goods and services to carry insurance to protect against exposure to liability caused by these goods and services. Insurance requirements vary depending upon their potential to create exposure to liability. Exposure arises from the possibility of loss and the probable severity of injuries or property damage if a loss occurs. See BUS-63, Vendor Insurance Matrix.

If a provider is uninsured or under insured, and they are not providing services or goods that have been exempted from UC insurance requirements (see Fact Sheet - Exemptions to UC Insurance Requirements) the provider must obtain the required coverage from a broker of their own choice or from UC’s Vendor/Contractor Insurance Program (see Fact Sheet - UC Vendor/Contractor Insurance Program). The department can also obtain the required services or goods from another provider. In rare instances, and on a case by case basis, UC insurance requirements may be waived if the risk is negligible and there is virtually no potential for loss.

RISK EXPOSURES
- High: moderate chance of loss; risk of severe injuries and property damage; contact w/non-UC persons; activities in public realm.
- Moderate: low to moderate chance of loss; risk of moderate injuries or property damage; contact w/non-UC persons; activities in public realm.
- Low: small chance of loss; risk of minor injuries, property damage; contact w/UC persons; not in public realm.
- Professional services: chance of loss if professional is negligent in performance of professional duties.

PROCEDURE TO REQUEST A WAIVER
- Complete, sign, and submit Request for Waiver of UC Insurance Requirements to Risk Management.
- Complete and submit copy of Contracts & Property Request for Services to Risk Management.
- Submit Contract, Agreement, PO, or other relevant documentation if available.
- Risk Management will review Request for Waiver and determine if one time waiver is appropriate.
- The turnaround time for a Request for Waiver can be one to two weeks.
- If submittal is incomplete, it will be returned with an explanation of what is missing; turnaround time will commence from time the Request for a Waiver is resubmitted.
- If the scope of work upon which a waiver is approved is changed in subsequent iterations of the contract the waiver will be voided.

REQUIRED INFORMATION
It is critical that the Request for Waiver of UC Insurance Requirements form and supporting documentation provide a complete, detailed and accurate description of the scope of work, i.e. what the provider is going to do and what the end product will be. The scope of work should be described in lay terms. Whether or not a waiver is approved depends upon the scope of work; if the submittal does not contain a complete, detailed and accurate explanation of the scope of work that is easily understood, it will be returned to the department. Answer the following questions with particular care:

- When will work be performed? Over what time period? Provide schedule showing activities and dates.
- What are the exact activities the provider must perform to produce the contract end product? List them all. Provide a step-by-step description of every work action the provider will engage in to complete the scope of work.
- What is the end product that the provider has been contracted to provide? Describe in detail.

WHO WILL BEAR COSTS OF CLAIMS IF INSURANCE IS WAIVED
The University expects departments to contract with providers that meet the University’s insurance requirements. When a provider’s insurance has been waived, losses caused by such a provider, and the ensuing claims and lawsuits, are not covered and UC might have to pay for the costs of the loss itself. For this reason it is campus practice that departments that ask that University insurance requirements be waived pay any costs attributable to the waiver.

FORM
Request for Waiver of UC Insurance Requirements

Fact Sheet: Request for Waiver of UC Insurance Requirements • rev. 07/11
Risk Management, UC Santa Barbara
http://www.riskmanagement.ucsb.edu