

SUBJECT: Builder's Risk Procedure for Major Construction Projects	Effective Date:	Procedure Number:	
	3/20/2013	FS 2013 FPC0012	
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Responsible Authority: Associate Vice President, Administration and Finance (Facilities and Safety)			

APPLICABILITY/ACCOUNTABILITY:

Personnel from Facilities Planning and Construction (FP&C) and Environmental Health and Safety (EH&S) are responsible for evaluating Builder's Risk Insurance.

PROCEDURE STATEMENT:

The Builder's Risk Policy selected for a major construction project will be based on a comprehensive analysis, to include review of comparative costs, overall provision, and deductible options.


DEFINITIONS:

Major projects: projects valued in excess of \$2,000,000

PROCEDURES:

1. FP&C will request a Builder's Risk quote from the Contractor upon receiving the Guaranteed Maximum Price (GMP).
2. Concurrently, at GMP, FP&C will request competitive quotes from the Insurance Consultant.
3. Upon receipt of the Contractor's and Insurance Consultant's quotes, FP&C will carefully examine the quotes for overall provisions, deductible options, and cost.
4. FP&C will compare all of the quotes and select the policy that is most competitive, based on cost, deductible options, and policy provisions.
5. If the Insurance Consultant's policy is selected:
 - A. The Associate Vice President, Administration and Finance (Facilities and Safety) will sign the policy, naming the University of Central Florida as the insured party.
 - B. FP&C will notify the selected insurer of the project's estimated start and completion dates. Should an extension be necessary, FP&C will contact the insurance company to ensure that the policy will be enforced for the duration of the construction project.

6. FP&C will notify the Contractor of the selected Builder's Risk Insurance company.
7. It is the Contractor's responsibility to notify the university of any claims against the policy.

Approved By:  Priscilla L. Kernek Associate Vice President, Administration and Finance (Facilities and Safety)	Date Approved: 3/12/13
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