

CITY OF CHICO – RISK MANAGEMENT

REQUEST FOR INSURANCE DETERMINATION & RISK MANAGEMENT APPROVAL FORM

REQUEST FOR DETERMINATION		
Requesting Department:		Department Contact:
Type of Agreement:	Start Date:	Completion Date:
Agreement Project Title:		
Description of Project*:		
Consultant/Contractor Company Name:		
Consultant/Contractor Contact Person:		
Consultant/Contractor Email:		Consultant/Contractor Phone #:

*Attach Exhibit "A" (Description of Services) and "B" (Scope of Services)

RISK MANAGEMENT INSURANCE DETERMINATION - REQUIREMENTS

- No insurance is needed for this project.
- CalPERS Independent Contractor Questionnaire
- General Liability Insurance & Sub-consultant/Sub-contractor Insurance w/ Required Endorsements
(See *Insurance Requirements Document for a full listing*):
 - \$1,000,000/\$2,000,000 \$2,000,000/\$4,000,000
 - \$3,000,000/\$6,000,000 \$5,000,000/\$10,000,000
- Automobile Liability Insurance: \$500,000 \$1,000,000 \$2,000,000 \$5,000,000
- Professional Liability Insurance: \$1,000,000 \$2,000,000
- Workers Compensation Insurance: \$1,000,000 \$2,000,000
- Tail Coverage/Completed Operations
- Workers' Compensation Waiver of Subrogation
- Improper Sexual Conduct Liability: \$1,000,000 \$2,000,000
- Pollution/Environmental Impairment Liability: \$1,000,000 \$2,000,000
- Builder's Risk (Building Value) \$ _____
- Property Insurance (Building Value) \$ _____
- Airport Liability: \$1,000,000/\$2,000,000 \$2,000,000/\$4,000,000
- Aircraft Liability: \$1,000,000 \$2,000,000 \$5,000,000 \$10,000,000
- On-Hook Coverage (\$50,000)
- Garage Keepers Liability (\$100,000)

RISK MANAGEMENT ADDITIONAL REQUIREMENTS CHECKLIST

- Additional Insured Endorsement
- Primary & Non-Contributory Endorsement
- Notice of Cancellation Endorsement

Confirm All Requirements by Agreement & Permit Type and Minimum Requirements are Satisfied (See City of Chico Insurance Requirements Form)

RISK MANAGEMENT VERIFICATION & APPROVAL

Employee vs. Independent Contractor Worksheet: On File Not Applicable

CalPERS Independent Contractor Questionnaire: On File Not Applicable

Initials: _____

City of Chico

EMPLOYEE vs. INDEPENDENT CONTRACTOR WORKSHEET

Contract Information		
Requesting Department:		Department Contact:
Type of Agreement:	Start Date:	Completion Date:
Description of Project:		
Contractor/Consultant/Provider Company Name:		

1. Does the department instruct or supervise the Contractor/Consultant/Provider while he/she is working? Yes No
2. Does the City provide or control the detail of how the Contractor/Consultant/Provider is to accomplish the work? Yes No
3. Can the Contractor/Consultant/Provider quit or be discharged (fired) at any time? Yes No
4. Does the City have employees who perform the same type of work? Yes No
5. Did the Contractor/Consultant/Provider previously perform the same or similar services for the City as an employee? Yes No
6. Does the City provide training for the Contractor/Consultant/Provider? Yes No
7. Does the City regulate the daily hours that the Contractor/Consultant/Provider will work? Yes No
8. Is the Contractor/Consultant/Provider required to work or be available full time? Yes No
9. Does the City furnish the tools, equipment, or supplies used to perform the work? Yes No
10. Are the services, as being provided, an integral part of the City's business/operation? Yes No
11. Does the Contractor/Consultant/Provider have a separate established business that is available to the general public? Yes No
12. Is the Contractor/Consultant/Provider free to make business decisions which affect his or her ability to profit from the work? Yes No
13. Does the Contractor/Consultant/Provider have a substantial investment which would subject him/her to a financial risk of loss?
Does the Contractor/Consultant/Provider provide all materials and support services necessary for the performance of the services? Yes No
14. Is the Contractor/Consultant/Provider paid a fixed salary or hourly wage basis? Yes No
15. Does the Contractor/Consultant/Provider believe that he or she is an employee? Yes No
16. Is there a written contract between the Contractor/Consultant/Provider and the City of Chico to provide services? Yes No
17. Does the contract/agreement between the Contractor/Consultant/Provider and the City contemplate continuing or recurring work? Yes No

I hereby certify that, to the best of my knowledge, the above information has been answered correctly.

Signature: _____

Date: _____

HUMAN RESOURCES & RISK MANAGEMENT REVIEW

After thorough review of the provided information, the Contractor/Consultant/Provider listed above has been determined to be an:

Employee Independent Contractor

HR/RM Signature: _____

Date: _____

Definitions & Distinguishing Characteristics

Common Law Employee: An individual who performs services for the City and is subject to the control of the City regarding *what* work will get done and *how* the work will get done.

- City supervises as to the manner and method individual performs job
- City has the right to discharge the worker at will and without cause
- Another City employee is currently performing the same functions
- City provides tools and equipment and/or training to individual
- Continuous relationship with individual, in either a full-time, part-time, or temporary basis
- Often paid on an hourly basis

Independent Contractor: Independent contractors are not employees. They are engaged in separately established bona fide businesses. A bona fide business is subject to profit or loss.

- City uses on a project oriented or sporadic nature
- No training required; individual is an expert in their field
- Individual chooses the manner and method to complete project
- Individual is available to the public for the same or similar work
- Paid on a flat rate, per project, or contingency basis
- Individual can subcontract out work to others
- Individual cannot be terminated until the project is completed or there is a breach of contract

Consequences of Treating an Employee as an Independent Contractor

If City classifies an employee as an independent contractor, when they really are an employee, the City may be held liable for all employment taxes for that individual, along with penalties and interest.