

Vendor Licensing and Insurance Compliance Policy

Adopted by motion of the Board of Directors of _____ (the "Association") on _____, 20____.

1. Purpose

The Association engages contractors, service providers and other vendors to perform work on Association property. This policy establishes a consistent, documented standard for confirming that those vendors hold the licences and insurance their work requires, so that the Board can demonstrate reasonable diligence in vendor selection and reduce the Association's exposure to uninsured loss.

2. Scope

This policy applies to every vendor that performs work on Association common elements or Association-controlled property, or that enters the property to perform services under contract with the Association. It applies to new vendors immediately and to existing vendors on the schedule set out in Section 6.

3. Minimum requirements

Before a vendor is engaged or a contract is renewed, the vendor shall provide, and the Association or its manager shall retain, each of the following:

3.1 A current licence or registration for the trade being performed, issued by the Florida Department of Business and Professional Regulation, the Florida Department of Financial Services, or the applicable city or county authority, with the licence number and status confirmed against the issuing agency's public record.

3.2 A certificate of insurance evidencing commercial general liability coverage of not less than \$1,000,000 per occurrence, naming the Association as an additional insured where the contract so requires.

3.3 Evidence of workers' compensation coverage, or a valid Florida exemption certificate for each exempt officer or member.

3.4 A certificate that names, as the named insured, the same legal entity that appears on the licence and on the contract with the Association.

4. Verification

Licence status shall be confirmed against the issuing agency's public record, and the certificate of insurance shall be reviewed for named insured, policy period and limits. Verification may be performed by the manager, by counsel, or by an independent verification service, provided the date of each check is recorded. Verification is point-in-time; it confirms status on the date checked and is not a guarantee of continued coverage, of workmanship, or of fitness for any particular job.

5. Recordkeeping

The manager shall maintain, for each vendor, the licence number and issuing agency, the date of the most recent licence check, a copy of the current certificate of insurance, and the policy expiration date. Records shall be retained for not less than the period required by the Association's governing documents and applicable law.

6. Compliance window for existing vendors

Vendors already engaged on the date this policy is adopted shall have _____ days (recommended: 60 to 90) to provide the documents required by Section 3. A vendor that has not complied by the end of that window shall not be scheduled for further work until it does, except where the Board determines in writing that an emergency requires otherwise.

7. Lapse

If a vendor's licence lapses or its insurance is cancelled or expires, the vendor shall notify the manager within five business days. Work shall be suspended until current documentation is provided.

8. Emergencies

Nothing in this policy prevents the Association from engaging a vendor to address an immediate threat to health, safety or property. Documentation required by Section 3 shall be obtained as soon as practicable thereafter and the circumstances recorded in the minutes.

9. No third-party rights

This policy is adopted for the benefit of the Association. It creates no rights in any vendor, owner, or third party, and it does not alter the Association's governing documents. Nothing in it constitutes legal advice or insurance advice.

President

Secretary

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