

BACK TO BASICS

My daughter is a gymnast. Her name is Abigail and she's six years old. Every Saturday morning she heads to Kentucky Gymnastics Academy to practice back flips, cartwheels, balance beam, vault, and high bar skills. I sit in the parental viewing section above the gym floor and in between streaming episodes of Mad Men, I watch her coaches repeatedly coaxing and paying attention to the fine details and the basics. They make their students practice the "foundation skills" time after time after time. Gymnasts become good by starting with a basic skill and then building upon that skill up to an advanced level. In a nutshell, you can't complete a back handspring until you're able to do a perfect cartwheel.

And so it is.....with insurance certificates!

Each year at about this time I start to receive hundreds of insurance certificates from various vendors, parade units and hot air balloons in preparation for the annual production of the Kentucky Derby Festival. As I start to mull through and check off the certificates, I have to remind myself to go back to the basics. This means making sure that the certificates I receive have the necessary and correct information on them so that the Festival is protected.

When I sit down with the interns who will be helping me with this "fun" project, I emphasize four things:

1. Check to make sure the policy on the insurance certificate is in effect. This means that the dates listed in the middle portion cover the period of time you are holding your events. There are several times every year where a certificate from a vendor is out of date and must be updated. If the policy isn't in effect during your event, this means that the certificate isn't good and that your festival and the vendor are not covered. Not good!
2. Depending on the event or type of vendor, I make sure that the coverage limits are where they need to be. \$1,000,000 is pretty standard for most vendors, but a certificate for a fireworks vendor can approach \$5,000,000 or more.

3. You must make sure that your festival is listed as an additional insured on the policy. Additional insured status is the key to protecting your festival. The reason it's so important is because as an additional insured, the vendor's policy will first be required to defend any cause of action and their insurance limits must max out before your policy is activated. If there's an incident at your festival caused by the vendor, you basically have two insurance policies working for you!
4. Your festival must be listed as the certificated holder. Use the full corporate name (for us it's Kentucky Derby Festival, Inc.) and address.

So that's it! When I'm scanning all of these certificates I check and highlight those four areas to make sure the certificates I receive meet those requirements. It may sound fairly basic and somewhat elementary, but if any of these items are not up to date or included in your certificates, then you won't be fully covered if an incident or injury happens on your venue.

In my next column, I'll cover a triple back handspring with a twist along with what kinds of animals should or should not be allowed on your venue! That was a hottest topic at my presentation at the 2016 IFEA Convention.

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