

Revised – FDOT Procurement Office Guidelines for Assessing Professional Liability Insurance Thresholds for Professional Services Contracts (Typical Only)

Section 337.106, Florida Statutes requires that "except for any person or firm providing professional services of a research or training nature, any person or firm rendering legal, architectural, engineering, or other professional services to the department shall have and maintain during the period the services are rendered a professional liability insurance policy or policies...in an amount deemed sufficient by the Department."

Professional liability insurance (PLI) protects the Department against claims arising from acts, errors or omissions committed in the performance or non-performance of professional services rendered by the consultant firm.

Assessing appropriate coverage levels for FDOT contracts can be a difficult proposition. Insurance providers and underwriters as well as other state agencies are reluctant to go on record with recommendations for minimum thresholds or guidelines. If possible, it is always preferable to quantify the risks inherent with the professional services being rendered.

PLI coverage recommendations for Design services and PD&E with Design contracts are as follows:

Estimated Construction Value	Prime Consultant Minimum Policy Limit
Up to \$2,500,000	\$250,000
\$2,500,001 to \$5,000,000	\$250,000
\$5,000,001 to \$7,500,000	\$375,000
\$7,500,001 to \$10,000,000	\$500,000
\$10,000,001 to \$15,000,000	\$750,000
\$15,000,001 to \$20,000,000	\$1,000,000
\$20,000,001 to \$25,000,000	\$1,250,000
\$25,000,001 to \$30,000,000	\$1,500,000
\$30,000,001 to \$35,000,000	\$1,750,000
\$35,000,001 to \$40,000,000	\$2,000,000
\$40,000,001 to \$45,000,000	\$2,250,000
\$45,000,001 to \$100,000,000	\$5,000,000
\$100,000,001 or greater	Please submit to Central Office Procurement for coordination of review (send brief e-mail describing project).

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PLI coverage recommendations for Construction Engineering Inspection (CEI) services contracts are as follows:

Estimated Construction Value	Prime Consultant Minimum Policy Limit
Up to \$5,000,000	\$250,000
\$5,000,001 to \$20,000,000	\$500,000
\$20,000,001 to \$30,000,000	\$750,000
\$30,000,001 to \$40,000,000	\$1,000,000
\$40,000,001 to \$60,000,000	\$1,500,000
\$60,000,001 to \$80,000,000	\$2,000,000
\$80,000,001 to \$100,000,000	\$2,500,000
\$100,000,001 to \$120,000,000	\$3,000,000
\$120,000,001 to \$140,000,000	\$3,500,000
\$140,000,001 to \$160,000,000	\$4,000,000
\$160,000,001 to \$180,000,000	\$4,500,000
\$180,000,001 to \$200,000,000	\$5,000,000
\$200,000,001 or greater	Please submit to Central Office Procurement for coordination of review (send brief e-mail describing project).

PLI coverage recommendations for PD&E studies (without design) are as follows:

Contract Value	Prime Consultant Minimum Policy Limit
Up to \$2,500,000	\$250,000
\$2,500,001 to \$5,000,000	\$250,000
\$5,000,001 to \$7,500,000	\$375,000
\$7,500,001 or greater	\$500,000

PLI coverage recommendations for Planning contracts are as follows:

Contract Value	Prime Consultant Minimum Policy Limit
Up to \$500,000	\$100,000
\$500,000 or greater	\$250,000

For district-wide and continuing contracts, the minimum policy limits should be established as \$250,000. Consultants will normally have the option to provide either blanket coverage or project specific coverage although project specific insurance may be required by the Department when the degree of risk is greater due to size or type of project.

There will be exceptions for unique high risk projects, such as projects with highly technical design or construction features; please confer with Central Office Procurement in those cases for additional guidance.

FDOT looks to the prime to be ultimately responsible for the quality of the work. PLI requirements are imposed on the prime by FDOT. Subconsultants/subcontractors are subject to limits as specified by the Prime.