Insurance Review Checklist: Property, Liability & Auto

1.0 Objective & Intent

The primary objective of this Insurance Review Checklist is to establish a rigorous, annual process for evaluating and updating the company's property, general liability, and commercial auto insurance policies. This ensures adequate coverage for physical assets (e.g., CNC routers, panel saws, finishing equipment, inventory of lumber and hardware), protects against third-party claims arising from on-site accidents or product defects, and mitigates financial exposure from vehicle-related incidents involving the company fleet. By systematically reviewing policy limits, deductibles, exclusions, and endorsements, the company safeguards cash flow against uninsured losses, maintains compliance with lender and lease requirements, and supports long-term operational stability.

2.0 Operational Scope

This policy applies to the Finance Department, Operations Management, and the designated Risk Manager (or equivalent). It covers all property insurance policies for owned and leased buildings, machinery, equipment, raw materials, work-in-progress, and finished goods. General liability policies are reviewed for coverage related to premises liability, completed operations, and product liability. Commercial auto insurance is reviewed for all company-owned vehicles, including delivery trucks, service vans, and personal vehicles used for business purposes. The scope excludes workers' compensation, cyber liability, and directors & officers insurance, which are addressed under separate policies.

3.0 Compliance & Data Security

> All insurance policy documents, certificates, and correspondence must be stored in a secure, access-controlled digital repository (e.g., encrypted cloud folder with role-based permissions). Access is limited to the Finance Department, Risk Manager, and the President/CEO. Personal information of employees (e.g., drivers' license numbers for auto policies) must be handled in compliance with PIPEDA, including obtaining consent for collection and limiting use to insurance administration. Internal controls require dual authorization for any policy changes (e.g., increasing limits or adding vehicles) and a documented audit trail of all review actions. Records must be retained for a minimum of seven years after policy expiration. Any breach of data security must be reported to the Privacy Officer within 24 hours.

4.0 Required Software & Administrative Tools

- Microsoft Excel or Google Sheets (for checklist tracking and summary)
- Adobe Acrobat or similar PDF reader (for policy documents)
- Company ERP system (e.g., JobBOSS, Epicor, or similar) for asset inventory and vehicle list
- Secure cloud storage (e.g., SharePoint, Google Drive with encryption) for policy documents
- Email system (Outlook or Gmail) for correspondence with insurance broker
- Calendar tool (Outlook or Google Calendar) for scheduling annual review and reminders

5.0 Step-by-Step Administrative Workflow

1. Schedule the annual insurance review at least 60 days before the policy renewal date. Notify the insurance broker and confirm receipt of renewal documents.
2. Compile a current inventory of all insured property: real estate (owned/leased), machinery, equipment, raw materials, WIP, and finished goods. Update values based on latest appraisals or replacement cost estimates.
3. Extract a complete list of all company-owned vehicles from the ERP or fleet management system, including VINs, usage type, and driver assignments.
4. Review the current property policy: verify coverage limits, deductibles, coinsurance clauses, and any exclusions (e.g., flood, earthquake). Compare against the inventory list to identify gaps.
5. Review the general liability policy: confirm coverage limits (per occurrence and aggregate), product liability scope, and any endorsements (e.g., additional insureds for key clients). Check for completed operations coverage.
6. Review the commercial auto policy: verify coverage for all listed vehicles, liability limits, physical damage deductibles, and any exclusions (e.g., employee-owned vehicles). Ensure all drivers have valid licenses and are listed.
7. Document any changes in operations (e.g., new equipment, expanded premises, new delivery routes) that may affect risk exposure. Provide this to the broker for quote adjustments.
8. Obtain updated quotes from the broker for the renewal period. Compare coverage and premiums against the current policy. Request explanations for any significant increases.
9. Prepare a summary report for the CFO/President with recommendations (e.g., increase limits, add coverage, change deductible). Obtain written approval for any changes.
10. Execute policy changes via the broker, obtain certificates of insurance, and store all final documents in the secure repository. Set a reminder for the next annual review.