

Sec. 10-303-12. Operating expenses and insurance

The vendor may contract only for those expenses necessary to the safe and efficient operation of the facility. Allowable operating expenses include wages, utilities, fees for services directly related to the operation of the facility, insurance and taxes.

(a) Method of Payment

Payment of expenses by the vendor shall be on a cash or check basis except as allowed by express prior written approval of the executive director or his designee.

(b) Rent and Utilities

Payment of charges for utilities and any charge for rent of facility space will be made by the board either directly or by reimbursement of the vendor.

(c) Telephone

Payment of charges for initial telephone installation will be made by the board.

The vendor will be responsible for payment of all telephone costs thereafter.

(d) Insurance

(1) vendors at scheduled locations, may be included as an additional named insured for liability coverage to the limit of \$1,000,000 each occurrence/\$1,000,000 aggregate for bodily injury liability and \$100,000 each occurrence/\$100,000 aggregate for property damage liability on the state insurance policy, which is purchased through the state insurance purchasing board.

(2) the vendor shall be responsible for the purchase of any other insurance coverage for his protection.

(3) each vendor shall be responsible for payment of unemployment compensation taxes, workers compensation insurance or other insurance coverage for persons in his employ.

(4) medical insurance coverage that is provided by the state to state employees may be provided by the board to a vendor provided the vendor shall make the same contribution towards the cost of the insurance coverage as state employees. Such insurance coverage may also be provided by the board to blind persons employed in workshops, established pursuant to section 10-298a, on December 31, 2002, provided such persons shall make the same contribution towards the cost of the insurance coverage as state employees. The board may decide, upon consideration of financial hardship, to lower the amount of the required contribution for vendors and eligible blind persons. A vendor shall also have the option to purchase the same medical insurance coverage for eligible family members. The vendor shall reimburse the board for the full cost of such medical insurance for such family members.

(5) the board may purchase and provide life insurance coverage with a disability provision to vendors.

(Effective July 23, 1987; Amended March 7, 2011)