
UCLA Procedure 300.3: University Owned or Leased Motor Vehicles: Physical Damage Insurance Coverage, Accident Reporting, and Claim Procedures

Issuing Officer: Associate Vice Chancellor, Business & Financial Services
Responsible Dept: Office of Insurance and Risk Management
Effective Date: July 1, 1998
Supersedes: UCLA Procedure 130.4, dated 5/1/79

I. REFERENCES

II. DESCRIPTION OF COVERAGE

III. PROCEDURES

I. REFERENCES

1. UCLA Policy 300, University Insurance and Risk Management;
2. UCLA Procedure 320.1, Use of University Rental Pool Vehicles;
3. Letter from President Saxon to Chancellors, Laboratory Directors, Members of Expanded President's Administrative Council re: Policy on Use of University Vehicles;
4. UC Business and Finance Bulletin BUS-35, Vehicle Accident Reporting and Claim Procedures;
5. UC Business and Finance Bulletin, BUS-46, Use of University Vehicles;
6. UC Business and Finance Bulletin BUS-69, Vehicle Physical Self-Insurance Program;
7. UC Business and Finance Bulletin BUS-75, General and Automobile Liability Self-Insurance Program;
8. UC Business and Finance Bulletin G-28, Policy and Regulations Governing Travel.

II. DESCRIPTION OF COVERAGE

A. Coverage

1. Liability Insurance

All University owned or leased vehicles are covered through the Self-Insurance Program against claims made by third parties, for bodily injury and property damage. Coverage is automatic, although departments which acquire vehicles must notify Fleet Services in order to obtain an identification number. Premiums are charged annually to those departments possessing vehicles.

Injury to University employees occurring within the course and scope of their employment is covered by Workers' Compensation Insurance.

2. Physical Damage Insurance

University vehicles, including those operated by the Associated Students and other University-related organizations, shall be registered in the name of the University of California and licensed in accordance with BUS-19, Registration and Licensing of University-owned Vehicles.

Vehicle physical damage coverage under the primary Self-Insurance Program automatically extends to fleet vehicles, subject to annual reporting. Coverage extends to

departmentally operated vehicles only if coverage has been requested and a premium is paid. Systemwide Risk Manager must approve coverage for short-term rental agreements for replacement of fleet vehicles.

The insurance program for physical damage applies to vehicles individually valued to a maximum of \$20,000. Excess insurance can be purchased for vehicles valued over \$20,000 at .040 per \$100 of insured value. This coverage is subject to a deductible of \$500 per occurrence to be paid by the using department for each incident of loss.

Note: See BUS-69, II. COVERAGE for details on types of vehicles covered under this program.

B. Charges

1. Premiums for Departmentally Owned or Leased Vehicles

Annual premiums for liability and physical damage coverage are charged to the department owning or leasing the vehicle and vary according to vehicle type.

2. Unauthorized or Negligent Operation

University employees responsible for damage to University vehicles resulting from unauthorized use, misuse, or grossly negligent operation of a University vehicle will be held personally responsible for cost of repair or replacement.

C. Privately Owed Vehicle Coverage

Privately owned vehicles used for University business must be covered by public liability insurance within the following limits: minimum public liability coverage of \$15,000 for injury to or death of one person and \$30,000 for injury to or death of two or more persons in one accident; minimum property damage coverage of \$5,000.

The University will allow as a reimbursable travel expense up to \$500 because of collision or other accidental damage to a privately owned vehicle while on University business. (Please see BFB - G-28 for details.)

D. Rental Vehicle Travel Expense

The University will not allow as a reimbursable travel expense the fee for the collision damage waiver or other optional insurance usually available in rental contracts, for vehicles rented while on University business.

The University will allow as a reimbursable travel expense the expense incurred because of property damage to a vehicle rented while on University business, except in cases of unauthorized or negligent operation.

E. Foreign Domiciled Vehicles Coverage

Special arrangements must be made to insure foreign domiciled vehicles. For instructions, contact the Office of Insurance and Risk Management (310) 794-6948.

III. PROCEDURES

A. Securing Coverage

1. Vehicle Liability Coverage

RESPONSIBILITY	ACTION
Fleet Services	Submits Fleet Inventory to Office of Insurance and Risk Management at close of fiscal year, showing all vehicles owned and/or acquired.
Office of Insurance and Risk Management	Contacts Departments to verify information on Department vehicles and notifies Office of the President, Office of Insurance and Risk Management of the entire current inventory and the loss experience.
Office of the President, Office of Insurance and Risk Management	Notifies UCLA Office of Insurance and Risk Management of the amount of premiums to be charged to the departments per vehicle.
Office of Insurance and Risk Management	Notifies Department contact of the amount of premium they will be charged.

2. Vehicle Physical Damage Coverage

RESPONSIBILITY	ACTION
Fleet Services	Submits Fleet Inventory to Office of Insurance and Risk Management at close of fiscal year, showing all vehicles owned and/or acquired.
Office of Insurance and Risk Management	Contacts Departments to verify information on Department vehicles and notifies Office of the President, Office of Insurance and Risk Management of the entire current inventory and the loss experience.
Office of the President, Office of Insurance and Risk Management	Notifies UCLA Office of Insurance and Risk Management of the amount of premiums to be charged to the departments per vehicle.
Office of Insurance and Risk Management	Notifies Department contact of the amount of premium they will be charged.

B. Reporting Accidents

RESPONSIBILITY	ACTION
Fleet Services or Department Head	Assures that all department vehicles have a "Driver's Instructions in Case of Accident" card in the glove compartment and instructs driver at vehicle check-out time of procedures to follow in case of accident.
UC Driver	<p>In the event of an accident, does the following:</p> <ul style="list-style-type: none"> • Completes "Automobile Accident Report" card located in glove compartment and obtains written statements from witnesses if possible. <p>Note: The completion of this preliminary report will assist driver in accurately completing Report of Accident form. Written statements from witnesses should be attached to Report of Accident form.</p> <ul style="list-style-type: none"> • Calls police immediately to report accident. (If on campus, calls UCLA Police Department at x51491). • Notifies department supervisor. • Reports accident within 24 hours to either Fleet Services or department owning or leasing vehicle and goes to either location in person to complete Report of Accident form. • Fills out Report of Accident neatly, accurately, and completely. • Signs Report of Accident form.

RESPONSIBILITY	ACTION
Fleet Services or Department Head	Notifies Office of Insurance and Risk Management within 24 hours regardless of seriousness of accident. <ul style="list-style-type: none"> In case of injury or death, contacts Office of Insurance and Risk Management immediately If UC employee sustains injury, refers him/her to Employee Medical Facility or UCLA Emergency facility and files necessary paperwork with Workers' Compensation Unit of Personnel Department.
	Checks Report of Accident form for clarity and completeness.
	Initials and forwards completed form to Office of Insurance and Risk Management.
Office of Insurance and Risk Management	Reviews accident forms and verifies that the information provided is complete.
	Determines whether the fault of the accident is due to UC driver or other driver and notifies Fleet Services or department of findings. <ul style="list-style-type: none"> If other driver is at fault, see C.1., <u>Other Driver at Fault</u>. If UC driver is at fault: <ul style="list-style-type: none"> Sends Report of Accident form to University's Third Party Administrator, (TPA) which investigates and settles any claims against the University, pending University authority. See procedure C.2, <u>UC Driver at Fault</u>.

C. Recovering Costs of Damage to University Vehicles

1. Other Driver at Fault

RESPONSIBILITY	ACTION
Fleet or Department Head	Receives notification that other driver is at fault and obtains and promptly sends repair estimates to Office of Insurance and Risk Management.
Office of Insurance and Risk Management	Office of Insurance and Risk Management reviews the estimates and orders repairs done at the appropriate establishment.
	Negotiates settlement with other driver.
	Upon receipt of payment from other driver, deposits to Fleet Service's or department's account and notifies same of deposit.

2. UC Driver at Fault

RESPONSIBILITY	ACTION
Fleet or Department Head	Receives notification that UC driver is at fault and obtains and promptly sends estimates to Office of Insurance and Risk Management. <ul style="list-style-type: none"> If damage to UC vehicle is more than \$500, department using the vehicle pays a \$500 deductible. If the damage is under \$500, department using the vehicle absorbs the loss.
Office of Insurance and Risk Management	Forwards accident report and Funding Request form to Systemwide Risk Manager.
Systemwide Risk Manager	Reviews and approves payment, deposits payment in departmental account, and sends journal to Office of Insurance and Risk Management.
Office of Insurance and Risk Management	Reviews and forwards copy of journal to Fleet Services or department.

Issuing Officer

/s/ Sam J. Morabito

**Associate Vice Chancellor, Business &
Financial Services**

**Questions concerning this policy or procedure should be referred to
the Responsible Department listed at the top of this document.**
