

# UC Davis Policy and Procedure Manual

## Chapter 370, Risk Management

### Section 25, Vehicle Insurance

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Responsible Department: Risk Management

Source Document: Business and Finance Bulletins BUS-46, Use of University Vehicles; G-28, Policy and Regulations Governing Travel

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#### I. Purpose

This section describes policy regarding insurance for vehicles used on University business and procedures for filing accident claims and acquiring necessary coverage in foreign countries.

#### II. Policy

All vehicles used for University business must have appropriate insurance coverage.

#### III. Required Coverage

##### A. University-owned vehicles--physical damage insurance

1. Insurance coverage for damage to University vehicles is provided automatically under the self insured General, Auto, and Employment Liability (GAEL) program.
  - a. All vehicles must be registered and licensed through Fleet Services in order to qualify for coverage.
  - b. The department that was using the vehicle at the time it was damaged pays the deductible amount in place at the time of the accident.
  - c. If the department fails to report damages within 24 hours of the driver's return or to make the vehicle available for repairs within 45 days, the full cost of repairs may be assessed to the department.
2. Special rules apply to trailers, boats, farm tractors, and farm equipment. For information regarding insurance on these types of vehicles, contact campus Risk Management.

##### B. University-owned vehicles--liability insurance

1. The University maintains automobile liability insurance coverage for all University owned vehicles, covering claims by third parties for bodily injury and property damage caused by University vehicles.
2. All vehicles must be registered and licensed through Fleet Services in order to qualify for insurance coverage.
3. University vehicles driven in foreign countries must be covered by any additional liability insurance required by that country (see IV.B, below).

##### C. State-owned vehicles

1. State-owned automobiles operated by University employees and students on official University business are covered by the University against claims by third parties, but are not covered by the University for damage to the vehicle itself.
2. Depending upon circumstances, the State may charge the responsible driver for repair costs.

##### D. Privately owned vehicles

1. Privately owned vehicles used for University business must be covered by the driver's liability insurance with the State of California mandated minimum limits.

2. Current state law requires \$15,000 for personal injury to or death of one person; \$30,000 for injury to or death of two or more persons in one accident; \$5,000 for property damage.

E. Rental automobiles

1. The University maintains automobile rental agreements with various automobile rental companies for use by University faculty and staff on business-related travel. When using University agreements, liability and physical damage insurance on the rental automobile is provided by the rental companies if:
  - a. A University rental agreement is used ([see Travel and Entertainment Car Rental Agreements](#)).
  - b. The driver gives the University agreement number (each company has its own number) to the rental company and identifies herself/himself as a University employee; and
  - c. The automobile is used on University business.
2. If these conditions are met, the employee need not purchase the collision damage waiver (CDW) or other optional insurance coverages from the rental company. The rental company has already provided the appropriate coverages as part of the University rental agreement.
3. University insurance will not pay liability or property damage claims arising from use of a rental automobile, except that if the conditions in 1, above, are met, the University's liability insurance will cover the portion of a liability claim that exceeds the rental company's limits.

F. Vehicles on loan or leased

If physical damage insurance or general liability insurance is required for vehicles, trailers, boats, or similar equipment on loan or leased to the University, it must be requested and purchased by the department. Contact Risk Management for further information.

#### IV. Procedures

A. To report an accident

1. The driver prepares an [Accident Report Form](#) immediately after the accident and forwards it to Fleet Services for repairs to a University vehicle and to Risk Management for incidents involving any potential injury or property damage to others. Accident Report Forms and instructions should be carried in all University vehicles.
2. Risk Management must be notified immediately, by telephone, of accidents involving death, serious injury, or extensive damage, even if information is incomplete.

B. To procure insurance outside of the United States

1. Foreign liability and physical damage insurance
  - a. The traveler purchases the required minimum amount of local insurance or the amount recommended by the local insurance broker in each country in which the University vehicle will be driven. Minimum coverage may not be adequate for an extended stay in a foreign country. Consult Risk Management for assistance.
  - b. The traveler submits a Travel Expense Voucher in order to be reimbursed for this expense.
2. Mexico
  - a. At the traveler's request, Risk Management issues a letter verifying that the bearer

is in Mexico on University business to purchase required special liability insurance.

- b. The traveler must submit the request at least 7 working days before departure.
- c. Obtain the request form from Risk Management.

**V. Further Information**

For further information, insurance coverage enrollment, and claim forms, contact Risk Management at 530-752-2629.

**VI. References**

UC Office of the President Business and Finance Bulletins:

- A. [BUS-46, Use of University Vehicles.](#)
- B. [G-28, Policy and Regulations Governing Travel.](#)