

**VEHICLE
LOSS CONTROL
PROGRAM
For The
UNIVERSITY OF MINNESOTA**

Revised February 2009

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VEHICLE LOSS CONTROL PROGRAM

Introduction

The Vehicle Loss Control Program is part of University Financial Policy, Section 8, Policy 3.8.2 - Using Automotive Vehicles for University Business. The Responsible Officer is the Associate Vice President for Auxiliary Services and the Responsible Department is Fleet Services. The program was initiated in 1986 as a response to large increases in the University's vehicle insurance premium.

I. Purpose and Scope

The purpose of the Vehicle Loss Control Program is to provide for the safe and legal operation of University owned, leased or rented vehicles and covered equipment used for University business as follows:

- Vehicles or covered equipment (hereinafter: "vehicles") which are owned, rented or leased from University Fleet Services operations are to fully comply with all aspects of this Program. Covered equipment is defined as licensed and unlicensed equipment, which may be driven on public roads to/from work sites.
- Vehicles rented or leased from private companies are to be insured by those private companies. Losses sustained, if any, are to be reported to the Fleet Services Office per section VII for monitoring. *See Appendix E.*
- Private vehicles used on a "reimbursement" basis have to be authorized by a Responsible Authority. As the primary accountability rests with the vehicle owner, vehicle owners/drivers are not mandated to comply with any aspect of this Program except to report crashes incurred while on official University business where there is a loss projected to be in excess of their limits of liability, exclusive of their own vehicle's sustained physical damage, for which the vehicle owner is fully responsible. Mileage reimbursement for the use of private vehicles for official University business provides for all operating expenses of the private vehicle, including insurance. Voluntary compliance with the Program is urged and drivers may avail themselves of driver training programs and other appropriate resources of the Program.

II. Managerial Responsibility

Deans, Directors, Department Heads, Project Leaders, Managers, Administrators, Supervisors or other appropriate employees, as the designated Responsible Authority, are responsible for directing the provisions of this Vehicle Loss Control Program for vehicle usage under their direct control and authority, and which vehicle usage is within the scope of this Program.

1. Each person with direct accountability for supervising the usage of departmental leased, rented or owned vehicles is required to participate in the Program and is to be so designated as the Responsible Authority.

2. The usage of all University-owned, rented or leased vehicles is to be under the daily control of the operating unit's Responsible Authority and subject to all other University policies as administered and this Program. Usage of private vehicles on a mileage reimbursement basis is to be allowed by authorization only.
3. Cooperation is to be extended to the Vehicle Loss Control Board, the Vehicle Loss Control Manager and his/her representatives in the performance of their responsibilities.
4. The Responsible Authority is to make every reasonable effort to support and facilitate safe driving training, assist in the dissemination of safe driving material, foster safe driving practices, and hold departmental vehicle users accountable for safe driving practices. It is vital to the success of the Program that accountability be decentralized, driving skills developed and good driving attitudes fostered.

III. General Policies and Definitions

It is the policy of the University that authorized drivers and their Responsible Authorities are to ensure that vehicles are driven in a safe, legal and considerate manner. To that end, the following General Policies are to be followed:

1. Authorized drivers are limited to employees of the University of Minnesota and sponsored drivers on Official University business. Drivers must be at least 19 years of age, whether a University employee or not. Visiting faculty or staff under the supervision or direction of a University Responsible Authority (or department head when applicable) is to be considered sponsored drivers.
2. Authorized drivers must possess a valid, proper license issued by an U.S. State or Canadian province.
3. Drivers are to comply with all state laws and Federal regulations concerning driving practices and the legal and permissible uses and operation of vehicles.
4. Rental vehicles are to be driven only by the authorized driver(s) under the direct sponsorship of a Responsible Authority.
5. Driving of University owned, leased or rented vehicles is to be considered a privilege and not a right. Efforts will be made to improve driver skills as required, including classroom and behind the wheel driver training. Driving privileges to University vehicles may be revoked should training prove unsuccessful.
6. Drivers and passengers are required to wear seat belts.
7. Drivers are not to carry passengers who are not part of official or authorized University business.
8. Drivers are not to use cell phones while driving University vehicles.

9. The use of University owned, rented or leased vehicles for personal purposes are not permitted.

10. All traffic offense fines payments or penalties are the personal obligation of the driver and it is not permissible to use University funds to make payment.

11. All parking offense fines payments or penalties are the personal obligation of the driver. Fleet Services, if notified by the issuing political subdivision will pay the fine, add a service fee and charge the department.

12. A Driving privilege revocation – offenses. Subject to 12.B., driving privileges may be revoked when it has been determined that the driver has:

- Violated any one or more elements of 1-11 of section III.
- Knowingly been involved in the manufacture, transportation, possession, sale or use of amphetamines or narcotic drugs.
- Operated a University vehicle under the influence of alcohol, amphetamines or a narcotic drug.
- Left the scene of a crash, if the crash resulted in a personal injury or death.
- Lost his/her driver's license because of suspension, revocation or withdrawal, or denial of a driver's license.
- Indicated gross negligence or incompetence in causing a serious crash involving bodily injury or death.
- Indicated negligent or incompetent driving due to the accumulation of three or more preventable crashes within a three-year period of time ending with the latest preventable crash.
- Indicated negligent or incompetent driving by having a crash considered serious and preventable. A serious crash is defined as having damage in excess of \$5,000 to a University vehicle and/or other property and/or injury.

B. Driving privilege revocation – procedure

The Vehicle Loss Control Board will consider the revocation of University vehicle driving privileges with the employee's supervisor and/or other appropriate University personnel present. There shall be a fact-finding phase, consideration of the severity of the nature of the violation(s), consideration of the employee's past driving record and any other relevant and/or pertinent facts. Upon this review the Vehicle Loss Control Board will:

- recommend preventive action to be undertaken by the responsible authority and/or
- Revoke the driving privilege of the authorized driver.

Appeal of Board actions may be taken to the employee's appropriate grievance appeal process or procedure.

13. Results of Preventable Crashes

a. Standard Preventable Crash within established time frame

First – Letter to driver and Responsible Authority.

Second – Driver sent to 8-hour behind the wheel driver-training program, at department's expense, within 60 days of determination of preventability.

Third – Driver and Responsible Authority meet with VLCB, VLCB to take appropriate action: automatic driving suspension if each preventable accident has over \$1,000 in total damages.

Four or more- Driver and Responsible Authority meet with VLCB, VLCB to take appropriate action.

b. Serious Preventable Crash

Driver and Responsible Authority meet with VLCB, VLCB to take appropriate action.

IV. Qualifications for Hire

Applicants must possess a valid U.S. state driver's license of the proper class. Minimum driving records standards may be promulgated and administrative procedures established for their enforcement as part of this program.

V. Driver Education/Training

The University is committed to a program of driver skills training and the development of responsible drivers. To this end, the following elements are incorporated into this program:

- All departments with permanently assigned (not rental) vehicles shall meet training standards set by the VLCB. The current standard, as set by the enhanced driver training and driver record check program that began in the fall of 2006, is that all drivers in these departments must be enrolled in the program and must attend training every four years.
- Departments are encouraged to send drivers from all personnel classes including faculty, student, temporary and part time employees.
- Fleet Services will offer training throughout the year on all campuses. Training will be a certified 4-hour defensive driver training. Credit will be given if drivers can prove they have received training elsewhere. Training must be renewed every four years.
- Drivers who have not met training requirements will have all collision crash deductibles increased to 5 times the normal amount until training requirements are met. (\$2,500)
- The VLCB will partner with departments who want training tailored to the department's specific needs.

VI. Vehicle Inspection

University owned vehicles older than two years are required to be inspected at least every twenty-four months for safety deficiencies. The completion of Fleet Vehicle Condition Report (*BA Form 844, See Appendix B*) is required.

1. Coordinate campus and station vehicles are to be inspected by a qualified mechanic, BA Form 844 completed and attested by the mechanic for review by staff of Fleet Services. All applicable vehicles must be inspected and BA Form 844 completed and on file in the Office of Fleet Services on the Twin Cities Campus within the six months prior to license tabs being purchased in February of every even numbered year.
2. Twin Cities campus vehicles are to be inspected by the Vehicle Maintenance Department. All applicable vehicles must be inspected and BA Form 844 completed and on file in the Office of Fleet Services on the Twin Cities Campus within the six months prior to license tabs being purchased in February of every even numbered year.
3. Vehicles not passing inspection will be condemned, and cannot be driven until repairs are made to pass inspection. The Manager of the Vehicle Loss Control Policy is the final authority as to when a vehicle is condemned.
4. New license tabs will not be purchased for vehicles that do not pass inspection **or** have no inspection report filed.
5. Authorized Drivers are to report known equipment or vehicle safety defects to their departmental Responsible Authority and/or supervisor who is to have the defect investigated and corrected.

VII. Crash Investigation and Record Keeping

Authorized drivers are required to report all crashes involving University owned and insured vehicles.

1. Crashes in which there is a personal injury or death are to be investigated by the local police, sheriff's department or highway patrol and the official state crash report submitted per no. 5 of this section. The driver is to notify their department immediately. The department must then notify Fleet Services immediately. Crashes in which there is property loss of \$1,000 or more require an official state crash report.
2. The local police, sheriff's department or highway patrol may investigate crashes not involving personal injury.
3. In addition to any officially required or optional report, drivers are required to complete and remit a University Vehicle Crash Report, BA Form 156 Rev. 2/86 (*See Appendix A*) to either

the Fleet Services Office, 901-29th Avenue SE, Minneapolis, MN 55414 or electronically via its web site at www.umn.edu/fleetsrv within two working days. Care and diligence is to be exercised to obtain accurate information on driver, passenger and witness names, facts, and circumstances of the crash. (*See University Vehicle Insurance, Appendix F*)

4. The Fleet Services' Office shall process the University Vehicle Crash Report within five working days, to include: review of report's known accuracy and completeness, assignment of vehicle crash classification based upon a thorough crash analysis (*See Appendix C*), and forward the report, as required, to the Office of Risk Management and the Vehicle Loss Control Board. The Fleet Services' office shall transmit any official state crash report received to the Office of the Commissioner of Public Safety.
5. The Fleet Services Office shall maintain records of crash losses by driver and department for a period of five fiscal years after the year of occurrence.
6. If no crash report is filed, or filed in a timely manner, the driver's department is liable for all expenses related to the crash.

VIII. Vehicle Loss Control Board

The Board will serve to review certain crashes involving University vehicles, including assessment of preventability, to mandate training, to propose Program changes, and to mandate driving privileges/driving restrictions in conference, as appropriate, with the driver's supervisor and representatives of the Personnel Department or other personnel or employment systems. (*See Appendix D*)

IX. Responsibility for Coordination

The Director of Fleet Services is responsible for the efficient and effective administration of the Program, in cooperation with the appropriate staff or line employees. In such capacity, his/her title is that of Vehicle Loss Control Manager.

CRASH REPORT

VEHICLE CONDITION REPORT

UNIVERSITY OF MINNESOTA
VEHICLE LOSS CONTROL PROGRAM

CLASSIFICATION OF FLEET CRASHS

To provide crash trends to determine the areas that should be emphasized in training and retraining, crashes must be properly classified. Hereinafter, the "insured's" vehicle is defined as vehicles or motorized equipment insured by the University of Minnesota.

I. INITIAL CLASSIFICATION

The two initial classifications of crashes are:

1. Non-traffic

These crashes are primarily those where no motion of any vehicle is involved. These crashes occur:

- a. In trucking activities, from pickup or delivery of freight, and delivery of bulk products, or other products.
- b. In bus or transit operations, from dirty or defective seats, floors, entrance and exit steps, and during boarding and alighting.

2. Traffic

These crashes include all crashes where there was movement by either the insured's and/or other vehicles.

II. SECONDARY CLASSIFICATION

It must be determined whether the "non-traffic" or "traffic" crash could have been prevented had the insured's driver been a "defensive driver. "

A "Defensive Driver" is one who:

1. Is careful to commit no driving errors
2. Make allowances for the lack of skill and improper attitude on the part of the other drivers
3. Does not become involved in an crash as a result of weather, road conditions, or actions of pedestrians and other drivers
4. Keeps continually alert, recognizing crash-producing situations far enough in advance to apply the necessary preventive action; and
5. Concedes the right of way when necessary to prevent an crash.

An crash (non-traffic or traffic) is considered preventable when the insured's driver failed to do everything reasonably possible to avoid it, even when the claimant is considered 98% at fault. Preventability is not based on whether a claim is paid by the University's insurance carrier or coverage, whether the insured was reimbursed for any losses, or whether insured's driver was

legally in the right, but whether the insured's driver or management did everything reasonably possible to avoid the crash. If not, the insured or the insured's driver must be considered responsible, and the crash considered "preventable."

III. PREVENTABLE CAUSES (INSURED'S VEHICLE)

Select the most appropriate cause for each crash:

1. Maintenance and/or Management

The Responsible Authority is responsible for an crash where they overruled the Vehicle Maintenance Department (or qualified mechanic; hereinafter Vehicle Maintenance Department) or Department of Environmental Health & Safety and dispatched the driver with a faulty vehicle, insufficient time to complete the run, an improperly loaded vehicle, etc.

The Vehicle Maintenance Department is responsible for an crash due wholly or in part to improper maintenance of the vehicle under their maintenance inspection. The department is responsible for satisfactory upkeep of brakes, steering, wheels, tires, springs, coupling devices, etc. In passenger carrying operations, it is also responsible for the condition of the seats, floor covering, steps, doors, railing, glass, etc.

A "Mechanical Defect" is an inherent defect in a part or parts that would not be detected by the Vehicle Maintenance Department during their regular inspection. Although crashes of this type are few, Responsible Authorities must thoroughly investigate inherent defects called to their attention.

An crash resulting from a "Mechanical Defect" of the braking system, steering mechanism or tires is classified in one of three ways:

- a. If the driver reported the defect to the Vehicle Maintenance Department, but was ordered to proceed without having the repairs made, the crash is classified as traffic and preventable traffic, with cause listed as maintenance and/or Management.
- b. If the driver knew the defect existed at the last contact with the Vehicle Maintenance Department and/or management and did not report it, and crash resulting from the defective part is classified as traffic and preventable traffic, with cause listed as Maintenance and/or Management,
- c. When the driver, the Vehicle Maintenance Department and management were not aware of the defect and it could not be determined by a regular inspection, an crash as a result of the defect is considered a "non-preventable traffic crash" and should be so noted.

2. Too Fast for Conditions

This does not refer to posted speed limits, but to speeds excessive for conditions at the time of the crash. This may occur on a highway, rural road or congested city street, where the driver failed to adjust the speed to the traffic, weather or road conditions. Under icy conditions, ten miles per hour could be excessive. Weather, road or traffic conditions are not acceptable excuses for an crash, and this includes loss of control, skidding, and jack-knifing.

3. Following at Unsafe Distance

The insured's driver "hugging" the taillight of the vehicle ahead so close that a safe stop cannot be made when the vehicle ahead changes speed or direction.

4. Improper Judgment

This is used only if a more specific "cause" is not practical and under the following conditions only when the insured's vehicle was moving forward:

- a. Failure to consider apparent or potential hazards in congested areas while moving at a slow rate of speed.
- b. Striking an overhead object (underpass, trees, wires, fire escapes, or traffic signals) at any rate of speed.
- c. Allowing the vehicle to roll backward while in a forward gear.

5. Improper Passing

The insured's driver allowed an insufficient distance when passing another vehicle traveling in the same direction, while passing on a curve, approaching or at the crest of a hill, or at intersections or bisecting streets, and failure to indicate intention to pass. It also includes sideswiping an approaching vehicle and striking fixed objects and parked or stopped vehicles while traveling at a moderate or faster speed.

6. Cutting and Crowding

The driver cuts in and out of traffic, changes lanes, or crowds other drivers on the highway, on curves, or at intersections.

7. Failed to Yield Right of Way

The driver failed to grant the right of way to another vehicle to avoid an crash. Consideration should be given as to whether it would have been possible to avoid the crash even if the insured driver had the right of way. If crash avoidance is deemed possible, it is considered a preventable crash.

8. Failed to Obey Traffic Signal or Sign

The insured's driver failed to obey any traffic sign or signal, traffic officer, or local, state or federal traffic regulation.

9. Not Watching Road

The insured's driver did not pay proper attention to the road ahead, sides of the road, or side roads. This can occur when the driver is looking for a street address, making notes, reading a map, or is distracted momentarily. When it can be proven, "falling asleep" is included.

10. Improper Turning

This occurs from the time a turn is started until it is completed, regardless of the speed or if another vehicle is illegally parked. It includes making a turn from the wrong lane, improper use or nonuse of directional signals, and failure to properly crowd the corner prior to turning.

11. Improper Backing

This includes all crashes to the rear, sides and over the insured's vehicle while it is traveling in reverse gear.

12. Improper Pulling Into and Out of Parking Position

The insured's vehicle was moving forward into or out of a parked position.

13. Improperly Parked

These crashes occur when the insured's driver:

- a. Parks the vehicle at a curb without turning the wheels into the curb, or does not chock the wheels;
- b. Does not properly apply the parking brake; or
- c. Parks in neutral, with the trolley (hand) valve applied and/or tractor protection valve on emergency, and the vehicle moves.

It also includes parking on the wrong side of the road or leaving the key in the ignition. These crashes are always considered as "preventable traffic."

14. Improper Loading or Delivery (Vehicle Crash)

This involves the movement of the insured's vehicle and is considered a "preventable traffic" crash. This type of crash falls into three categories:

- a. Improper Loading - resulting from overhanging side loads or articles falling from insured's vehicle, damaging other vehicles, persons or property.
- b. Improper Delivery - resulting in damages to sidewalks, lawns, shrubbery, driveways, etc., when entering or leaving any property.
- c. Improper Coupling of Tractor or Trailer - resulting in personal injury and/or damage to property, including insured's trailer and cargo while coupling or dropping trailer while in transit (except when caused by mechanical defect or improper maintenance).

15. Improper Loading or Delivery (Not Vehicle Crash)

There was no movement of the insured's vehicle and the driver damaged property or caused personal injury while handling commodities or freight. These crashes are always considered "preventable non-traffic."

16. Improper Loading and Unloading of Passengers

These crashes occur in bus, taxi, livery, and school bus operations when the driver stops at an unsafe location (beyond crosswalks, near holes in the street, at an angle to the curb, or at areas of poor footing), or fails to hold the doors open for passengers entering or leaving the vehicle. The crashes are always considered "preventable non-traffic."

17. Sudden Stopping or Starting

The driver's abrupt starting or stopping of the vehicle (bus, taxi, etc.) resulted in personal injury or property damage on board the vehicle.

IV. CRASH LOCATION (INSURED'S VEHICLE)

Select the most appropriate location for each crash:

1. On Straight Road

On any straight road between intersections, whether or not it is level.

2. On Grade

On any upgrade or downgrade, whether the road is straight or curved.

3. At Curb

While pulling into or out of a parallel or angle space at curb, normally on public streets.

4. Driveway, Alley or Parking Lot

Crashes in these areas, their aisle spaces, or inside a building.

5. On Curve

While entering, leaving, or within a curve, excluding intersections.

6. Off the Highway

Crashes involving only highway-licensed vehicles used in construction, logging, utility (above and below ground), drilling, etc, operations while the vehicles are not operating on a road, highway, driveway, alley, or parking lot. Running off the highway for any reason is not included in this category.

7. Intersection

Within the curb Lines of the bisecting streets or alleys, highways, railroad crossings, traffic circles, and entrance and exit ramps to highways. Driveways are not included. Included are crashes occurring within three vehicle lengths of an approaching intersection.

Once the vehicle completely clears the curb lines of the bisecting streets, the location falls into one of the other classifications.

V. TYPE OF CRASH (INSURED'S VEHICLE)

Select the most appropriate category for each crash:

1. Struck Other Vehicle

Any vehicle, train, motorcycle or bicycle used as a means of conveyance, whether it is moving, parked or stopped.

When a child's tricycle, bike, wagon, etc, is struck, include it under "Other Non-Collision."

2. Struck Fixed Object

Striking against buildings, underpasses, overhead wires, guardrails, bridges, abutments, curbs, or any immobile object.

3. Struck Pedestrian

The vehicle hit the pedestrian.

Where the pedestrian walked, ran or struck the vehicle (moving or stopped), include it under "Other Non-Collision."

4. Boarding and Alighting

This includes bus, school bus, taxi, and livery operations, while passengers are entering or leaving the vehicle. Included are family, friends, and business associates who are injured entering or leaving personal or company passenger cars.

5. Ran Off Road

The vehicle left the traveled portion of the roadway and did not come in contact with another vehicle, train, motorcycle, bicycle, fixed object or any immovable object, such as a rock ledge. Striking or rolling over a soft bank is included.

6. Struck by Other Vehicle

Struck by another vehicle, train, motorcycle, bicycle, or other means of conveyance.

7. Other Non-Collision

This is to be used only if another classification cannot be used. Examples of where it is to be used are:

- a. Deliveries of freight ("non-traffic" type).
- b. Vehicle damage to property, such as lawns, shrubbery or driveways.
- c. Striking animals (wild or domestic) or children's tricycles and toys (even when a child is on it), or being struck by any of these.
- d. Other non-traffic crashes, including damage to the insured's vehicles (jackknives),
- e. Riots and civil commotion.
- f. Pedestrians walking or running into the vehicle.
- g. Damage to other vehicles from rocks or debris thrown from tires, freight or part of load falling from vehicle, or part of the vehicle falling off.

8. All Comprehensive and Material Damage

This includes fire, theft, and glass breakage or storm damage to insured's vehicle.

Crashes under this classification are always considered "non-traffic" or "preventable non-traffic," whether or not movement of the vehicles is involved. This is the only exception to the "traffic" crash rule.

9. Alleged Crash

This applies when it is questionable whether the insured's vehicle was involved. Check an "Crash Location" and "Other Vehicle Action" where possible; otherwise, spaces are to be left blank.

When a subsequent investigation proves the vehicle and driver were involved, the crash should be considered "preventable" and the preventable cause checked, as well as location, crash type, and other vehicle action.

VI. OTHER VEHICLE ACTION (CLAIMANT'S VEHICLE ONLY)

Select the most appropriate category for each crash:

1. Pulling In and Out of Parked Position

The claimant was moving forward in entering or leaving a parked position.

2. Passing, Cutting, or Crowding

The claimant, traveling in same direction, was passing, changing lanes, crowding or cutting in on insured's vehicle.

3. Making Turn

The claimant was making a left or right turn into another street, highway, driveway, or alley, either ahead of, while approaching, aside of, or following the insured's vehicle.

4. Going Straight Ahead

The claimant's vehicle, moving in a straightforward motion, was preceding the insured's vehicle, approaching the insured's vehicle, or approaching from an intersecting street.

5. Following

The claimant was following insured's vehicle.

6. Backing

The claimant's vehicle was moving backward.

7. Parking or Stopped

The claimant's vehicle was parked (illegally or legally) or stopped.

VII. SECONDARY CAUSES OF CRASHES

Although these are not listed on any analysis, they are important for driver education and retraining. To develop this, in-depth investigations of crashes must be made. These have revealed contributing factors such as physical weaknesses of drivers, mental attitudes of drivers, type of equipment used, supervisory conflict, and personalities. Facts of this nature must be sought for satisfactory retraining.

UNIVERSITY OF MINNESOTA
VEHICLE LOSS CONTROL PROGRAM
VEHICLE LOSS CONTROL BOARD

I. Scope of Activities

The Vehicle Loss Control Board has two primary functions:

- To work with the Vehicle Loss Control Program Manager to define the programs and polices of the Vehicle Loss Control Program. The Fleet Services office will provide to the Board a crash analysis providing tabulation and chronological listing of crashes on a quarterly and cumulative yearly basis to assist in this duty.
- To make decisions regarding the preventability of crashes involving University vehicles and foster employee performance accountability. A crash must be considered preventable on the part of the Authorized Driver involved unless it is shown, beyond question, that they did nothing that contributed to the occurrence of the crash and that they did everything which could reasonably have been expected to do to avoid the crash. On the basis of these findings, the Board has the authority to require University driver training, recommend preventative action to be undertaken by the Responsible authority and/or revoke the driving privilege of the authorized driver per Section III, item12, Vehicle Loss Control Program.

II. Organization

The Vehicle Loss Control Board is comprised of a minimum of five (5) members. These members shall provide representation from the following areas:

- Environmental Health and Safety
- Transit
- Police
- One Driver Supervisor
- One Primary Class Driver

The Director of Risk Management will be an advisor to the Board.

The Manager of the Vehicle Loss Control Program may add other members, as needed.

Any official action of the Board requires a quorum of three (3) or more members and a majority vote of those present. The Manager of the Vehicle Loss Control Program shall appoint members for terms of two years expiring 6/30 on an overlapping basis. The Chairperson of the Board shall

serve a two-year term and be chosen by a majority vote of Board members. The Board may establish other officers and establish business practices and meeting schedules, as required.

III. Board Procedures, Driving Standards, and Administration

The staff of the Fleet Services office, which will make initial determination as to preventability on vehicle crashes, will assist the Board.

To assist the Fleet Services office and the Board in determination of preventability, the criteria of "Determining Causes of Fleet Crashes" (available in Fleet Services office) will be utilized. Based on their findings, the following actions will be invoked relative to preventable crashes:

1. Upon the finding of a preventable crash by the Fleet Services office, the driver and their Responsible Authority will be notified in writing as to its preventability so that improvement may be made in driving. The right of appeal and possible consequence of further preventable crashes will be explained in the written notification.

2. The driving privilege will also be revoked when it is determined that the driver has:

- Knowingly been involved in the manufacture, transportation, possession, sale or use of amphetamines or narcotic drugs.
- Operated a University vehicle under the influence of alcohol, amphetamine or narcotic drug.
- Left the scene of a crash, if the crash resulted in a personal injury or death.
- Lost his/her driver's license because of suspension, revocation, withdrawal, or denial of an operator's license.
- Indicated gross negligence or incompetence in causing a serious crash involving bodily injury or death.
- Three or more preventable crashes during the time span of the prior three years ending with the latest preventable crash with each crash having at least \$1,000 of total damages.

3. Drivers determined to have preventable crashes may appeal this decision to the Board. Appeals must be made in writing within 10 working days of the date of the letter of determination and sent to:

Chairperson
Vehicle Loss Control Board
Fleet Services
901 29th Ave SE
Minneapolis, MN 55414

4. The Board will meet to provide a determination of preventability to the driver within 40 days of receipt of the appeal.

CRASH REVIEW RESPONSIBILITIES

FLEET OFFICE

1) First crash by driver within a three-year period of time ending with the latest preventable crash - letter to driver, Responsible Authority and Board.

2) Second crash by driver within a three-year period of time ending with the latest preventable crash – 8-hour behind the wheel driver-training course.

3) Third or more crashes by driver within a three-year period of time ending with the latest preventable crash – Set up meeting with the VLCB.

4) Serious Preventable Crash – Refer to the Board with analysis and recommendation.

5) Provide periodic crash analysis and annual summary.

VEHICLE LOSS CONTROL BOARD

1) No action - advisory if requested on first crash, appeal hearing, if requested.

2) No action - advisory if requested on second crash, appeal hearing, if requested.

3) Review.

4) Review

5) Review

RENTING NON-UNIVERSITY OWNED VEHICLES

Due to cost and insurance coverage, departments are to use University vehicles whenever possible. All four campuses maintain a fleet of vehicles for departments to rent. The Fleet Services department on the Twin Cities campus has an overflow contract with local agency(s) for additional rental vehicles. For those whose vehicle portion of their traveling begins away from campus, Purchasing Services, along with the other Big Ten universities, has negotiated a national contract (currently National Car Rental) for rental vehicles.

If one of the above rental options cannot be used, an agency that provides liability insurance should be used. (As an example: Hertz, Avis, Budget, Enterprise, Alamo, etc.) It is recommended that the department purchase the collision damage waiver insurance as the University's physical damage insurance on these vehicles has a \$10,000 deductible.

If no other rental options are available departments may rent a vehicle from other agencies. (As an example: car dealerships). Risk Management provides liability insurance to the department at no charge. Physical damage insurance can be purchased from Risk Management at a cost of \$35 a day with a \$1,000 deductible. Physical damage insurance must be arranged prior to renting the vehicle.

UNIVERSITY VEHICLE INSURANCE

Both liability insurance and physical damage insurance cover all vehicles owned by the University of Minnesota. RUMINCO LTD provides the liability insurance. The physical damage insurance is provided by a fund maintained by Fleet Services. Coverage is provided throughout the United States and Canada. University insurance does not cover vehicles in Mexico. Any department taking a vehicle into Mexico must buy insurance at their expense.

The policy year is the same as the University's fiscal year. At the start of the policy year, Fleet Services issues a Proof of Insurance form for all vehicles. State law requires the form to be in the vehicle at all times. If traveling into Canada a Canadian Proof of Insurance card is required and is available upon request from Fleet Services.

University insurance cannot process either liability or physical damage claims without a crash report (BA156) being filed with Fleet Services. It is imperative that these reports be filled out completely and in a timely manner. Liability and physical damage losses are the responsibility of the driver's department if no crash report is filed. Crash reports that do not reasonably specify the date, time, location and driver may be denied.

Physical damage losses will not be reimbursed if the report is not on file within six months of the occurrence or six months after the end of the policy year. Physical damage losses will not be reimbursed if the damage is not fixed within six months of the occurrence.

APPENDIX G

BUYING, OWNING AND SELLING UNIVERSITY VEHICLES AND TRAILERS

All vehicles are owned or leased by the University of Minnesota. Departments may only buy or lease vehicles by working with Fleet Services.

The Department of Fleet Services maintains contracts, which must be used to buy cars and light duty trucks and vans. Fleet Services will assist departments in buying other classes of vehicles. Departments wishing to lease a vehicle can do so through Fleet Services.

The purchase of used vehicles is strongly discouraged. Departments needing a used vehicle should attempt to purchase a vehicle from the central motor pool.

Any vehicle sold must be sold via some means of competitive bidding, either an auction or bid sale. Campuses and Stations conduct these periodically. Negotiated sales to a private party are prohibited.

FUELING UNIVERSITY VEHICLES

The University of Minnesota is exempt from federal fuel taxes. When fueling University vehicles the fuel pumps on the campus or station should be used whenever possible. Those departments that travel away from the campus or station should request a fuel credit card. These are the only two means by which the University receives an exemption from federal fuel taxes.

Do not use the U Card, other credit cards or cash to purchase fuel.

When fueling a vehicle with the fuel credit card the self-service pump must be used and the vehicle should be fueled with the lowest octane fuel recommended by the manufacturer.

DRIVER POLICY FOR 15-PASSENGER VANS
(Highly Recommended for Full Size 8 & 12-Passenger Vans)

Program Overview

- All drivers of 15-passenger vans are required to complete driver training effective November 1, 2002. Drivers will receive a certificate indicating they have completed the training course.
- Policy applies to vehicles rented from outside car rental agencies by University departments.
- There are no exceptions to this policy. All vehicles, whether used primarily for highway/freeway or local “commuter” trips, will require certified drivers.
- Once a driver completes the training, they will be “certified” and no further training will be required.

Training/Classroom Course

- Fleet Services will offer a two-hour classroom course for drivers.
- Training will be free to unit/departments.
- Training related costs will be paid for from the self-insurance fund.
- On the Twin Cities campus, training will be available monthly at the Fleet Services Building.
- On the coordinate campuses, training will occur twice a year on each campus.

Penalties for Use of Non-Certified Drivers:

- Deductibles for a department that permits a non-certified driver to drive a full size passenger van will increase as follows:

Collision	\$10,000
Liability	\$10,000
Workers Compensation	\$10,000

Unanticipated/Emergency Training Option:

- For drivers who unexpectedly need to use a 15-passenger van before the next training session is offered, drivers will be required to take the two-hour interactive CD-ROM training course or session program offered by the National Safety Council. A temporary “pass” will be issued to those drivers. The pass will be valid until the next classroom training session occurs. Drivers will be required to take classroom training, as the temporary pass will expire on the date of the next classroom training session.

This policy will be reviewed during the spring of 2006. If the University continues to experience serious crashes with these vehicles by drivers who have completed the training course, the recommendation will be to phase out the use of these vehicles over a designated period of time.

DRIVER CLASSIFICATION FOR ACCIDENT REPORTS

For the purpose of this program in filing out an accident report drivers are classified as:

- a. Primary - Those drivers who spend at least 20% of their work time driving a University vehicle.
- b. Occasional - Those drivers who spend at least 1% but less than 20% of their work time driving a University vehicle. All Academic Class position titles, including Academic Administrative, Faculty, Student/Professional Training, Agricultural Extension Service, and Professional are considered Occasional drivers unless they drive less than 1% of their work time.
- c. Irregular - Those drivers who spend less than 1% of their work time driving a University vehicle.