Introduction

The monthly bulletin is a useful tool to share information and resources with the University community.

This month’s bulletin covers topics relating to employee use of vehicles, including:

- Roles and Responsibilities of Drivers of University Owned / Leased Vehicles;
- What to Do in the Event of an Automobile Accident; and
- Renting Vehicles for York University Business;

Responsibilities of Drivers of University Owned / Leased Vehicles

During a recent review of the University driver program, there were a number of York drivers who failed to notify us of the expiration, cancellation, or suspension of their licenses.

Under the laws of Ontario, a driver must possess a valid license to operate a vehicle. It should also be noted that failure to maintain a valid driver’s license may have serious consequences with respect to coverage under York’s automobile insurance policy should a claim arise.

Employees who fail to report a change in their license status may be subject to disciplinary action.

Here is a reminder of a driver’s obligations:

Registration Responsibilities:

Prior to an employee driving a York vehicle, he/she must register with Insurance and Risk Management Services by completing the Driver Profile form (available on the Finance Department website).

Reporting Responsibilities:

Employees must also be aware of their ongoing responsibilities.

1. All drivers must have a valid driver’s license and the proper class of license to operate the motor vehicle assigned to them.
2. All drivers should immediately inform their supervisors of a significant change in their status as a driver – including but not limited to suspension of driver’s license, increase/reduction in demerit points, need for medical review, corrective lenses, etc.
3. This information must be communicated to Insurance and Risk Management Services as soon as possible so that appropriate notification can be communicated to York’s insurers.

What to Do in the Event of an Automobile Accident with a University Owned or Leased Vehicle

When an accident occurs on-campus:

1. Contact York Security Services (x33333) so that an accident report can be filed. Security Services will contact Ambulance or Police if necessary.
2. Please also notify Insurance and Risk Management Services of the accident (416-736-5514).

When an accident occurs off-campus:

1. Stop immediately and investigate.
2. Note the kind of injury if possible and get the names and addresses of injured persons.
3. Notify Police immediately. Get the officer’s name and badge number if possible.
4. Complete the accident report form located in the vehicle’s glove compartment and send it to Insurance and Risk Management Services.
5. Obtain names, addresses and insurance information [pink-colored insurance card] of owners/drivers and license number of other cars involved and names and addresses of any witnesses.
6. If the accident is minor in nature, visit the nearest Collision Reporting Centre to file an accident report. This should be done within 24 hours of the accident.

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The determination of apportionment and assumption of liability is the responsibility of our insurance carrier after due regard to the facts of each claim. In most circumstances, parties to an accident cannot make an objective assessment of liability. It is inappropriate to make statements concerning liability at the time of the accident.

Renting Vehicles for York University Business

When renting an automobile for less than 30 days on University business, the following procedures should be followed to protect University staff and faculty from incurring an uninsured loss. For rentals that extend beyond 30 days, contact Insurance and Risk Management Services.

When renting in Canada:

3rd Party Liability Coverage

a) Ontario-only

Revisions to Ontario’s auto insurance legislation have changed the priority of payments for liability losses, limiting the rental agency’s liability. Employees who rent vehicles under their own name are exposing their own insurance policies to a claim for any damage or injury which occurs while the vehicle is in their custody or control.

Until such time as the courts decide which policy (driver or employer) will respond first to a claim, we have been advised by our insurance providers that the best option to avoid the employee’s own policy responding first is to have the rental contract clearly state that it is between the University and the rental agency. Options include:

#1: create a corporate account between the University department and the rental agency; or
#2: whenever an employee signs a rental contract, the employee should clearly state, “as employee of York University” or include “[employee’s name], York University” and list the employee as driver only.

The University carries an excess liability policy to respond in the event of a claim where an employee is using a rental vehicle for University business.

b) Outside of Ontario

The rental company, by law, must provide 3rd party liability coverage. York University carries an excess policy that provides additional coverage beyond the rental car company’s insurance limits.

Collision Damage (all provinces and territories)

The York University American Express corporate card provides collision damage coverage for most private passenger vehicles and standard mini-vans (expensive or exotic vehicles and larger vans are excluded). The insurance is only valid (1) if the Cardholder is listed on the rental agreement as the primary driver (and drives the vehicle for the majority of the time during the coverage period), and (2) if the rental fee is pre-authorized and charged to the American Express card.

If there are secondary drivers, they should also be listed on the rental agreement. If they also have a corporate American Express Card, they would also be insured under the terms of the card agreement.

The University provides the American Express corporate card to employees who travel. As a consequence, collision damage coverage need not be purchased from the rental agency.

Personal Accident Insurance (PAI)

This type of insurance should be declined for those staff and faculty who participate in the University’s employee benefits plan.
When renting in the USA:

3rd Party Liability Coverage

Each of the states in the US has different rules for providing 3rd party liability coverage. For ease of handling, it is recommended that the liability coverage offered by the rental company be purchased. York University carries an excess policy that provides additional coverage beyond the rental car company's insurance limits.

Collision damage and personal accident insurance (PAI)

Same rules apply as in Canada.

When renting outside of Canada and the USA:

3rd Party Liability Coverage

The maximum liability coverage offered by the rental car company should be purchased.

Faculty/staff are also encouraged to consider using other means of transportation (such as taxis or buses/drivers for larger groups) instead of using a rental car. Alternate transportation can often be arranged with the host institution.

Collision Damage

All coverage offered by the rental car company should be purchased as the American Express coverage is not available for rentals outside of Canada and the USA.

Personal Accident Insurance (PAI)

This type of insurance should be declined for those staff and faculty who participate in the University's employee benefits plan.

Summary Reference Table for Renting Vehicles

<table>
<thead>
<tr>
<th>Country</th>
<th>Liability</th>
<th>Collision</th>
<th>Personal Accident</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>In Ontario, York must be named on rental contract to avoid the employee from assuming liability under his/her own insurance policy.</td>
<td>Provided by American Express provided: (1) Cardholder is listed as primary driver, and (2) Rental fee is charged to corporate card.</td>
<td>Staff/faculty should decline the rental agency policy if they participate in the University’s benefits plan.</td>
</tr>
<tr>
<td></td>
<td>In other provinces, coverage is provided by rental company.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td>Purchase coverage through rental agency in all circumstances.</td>
<td>Provided by American Express, see above.</td>
<td>Same rules as Canada.</td>
</tr>
<tr>
<td>Outside Canada and USA</td>
<td>Purchase max liability coverage offered by rental agency.</td>
<td>All coverage offered by rental company should be purchased.</td>
<td>Same rules as Canada.</td>
</tr>
</tbody>
</table>

Accident Reporting for Rental Vehicles

- In the event of an accident, contact the rental agency immediately and follow its instructions.
- If you rented with the York University American Express corporate card or another premium credit card, notify the card company within 48 hours of the incident.
- If you did not purchase CDW coverage and did not use the York University American Express corporate card, notify Insurance and Risk Management Services (416-736-5514 office / 416-738-3020 24-hr cell phone) as soon as possible.
For other resources available on these and other insurance and risk management-related topics:

- Visit the Insurance and Risk Management Services website: [www.yorku.ca/finance/services/riskinsurance/index.htm](http://www.yorku.ca/finance/services/riskinsurance/index.htm)
- York University Insurance Manual (also available on the Insurance and Risk website); or
- Contact Insurance and Risk Management Services: Steve Pottle at ext. 55514 or [pottles@yorku.ca](mailto:pottles@yorku.ca).