

## Guidance on insurance arrangements when using rental or personal vehicles for university business

Most TRU employees simply use their vehicles to get to and from work. If however you are required to use your personal vehicle for University business then there are some TRU policies you need to be aware of.

When using your personal vehicle for TRU business, whether regularly or occasionally employees should follow the Travel Expenses policy and the guidance set out in the Travel Handbook. Claims can be made for mileage at a standard rate and for other associated costs such as parking or tolls, but not for such items as parking fines, traffic violation fines, or impoundment / towing fees.

### Determining your ICBC rate class

ICBC uses some simple rules to determine how you use your vehicle, assigning four rate classes:

|                                                                                     |           |                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | Pleasure  | Driving for typical day-to-day activities, like errands, driving kids to school or going on vacation. You can also use the vehicle for up to six days in a calendar month for commuting, business or delivery.                                  |
|   | Commuting | Driving to work or school, in addition to pleasure use. There are different rate classes, depending on how far you commute.                                                                                                                     |
|  | Business  | Driving for business purposes – e.g. a salesperson or realtor who drives to meet with customers. You may also need different insurance if you drive passengers for payment, for a service such as Uber, Lyft, or as a taxi or limousine driver. |
|  | Delivery  | Driving for delivery. There are different rate classes depending on the type of vehicle, what it delivers and the distance travelled.                                                                                                           |

The majority of TRU staff, faculty and administrators do not need to use their vehicle for business purposes. Some employees use their vehicle for infrequent journeys on TRU business, and so long as that use is for less than six trips a month no further action is required. If you are one of the small group that need to drive regularly on TRU business you must let ICBC know that you need the business rate. You can then get reimbursed by TRU for the cost over and above commuter class.

To apply for reimbursement you need your manager to send a completed Automobile Insurance Reimbursement form together with a copy of the receipt for payment to Risk Management Services ([insurance-liability@tru.ca](mailto:insurance-liability@tru.ca)).

Managers who become aware that their team members are frequently using their private vehicle for TRU business should speak to the individual about their travel and explore whether alternatives such as vehicle rental or taxi use would be more appropriate. If you

are satisfied that the use of your employees private vehicle is the best choice for TRU should you should endorse their application for reimbursement.

Managers and individuals should be aware that if frequent business use is not declared to ICBC and an accident occurs, ICBC may challenge the claim. This may increase TRU's liability as well as cause hardship for the individual. TRU strongly recommends that all employees declare their vehicle usage correctly to ICBC.

### Claiming reimbursement if you damage your private vehicle

If, whilst on TRU business (for example driving between Williams Lake and Kamloops) your vehicle is damaged, TRU will reimburse the lesser of the actual vehicle damage cost or your vehicle insurance deductible, to a maximum of \$500 per occurrence.

In order to make a claim you will need to send the following to Risk Management Services ([insurance-liability@tru.ca](mailto:insurance-liability@tru.ca)):

- A covering letter outlining the circumstances of the damage, signed by the employee and the employee's supervisor, to verify that the vehicle was being used for TRU business at the time of the accident
- A copy of the police report, if applicable
- A copy of the employee's insurance documents (Owner's Certificate(s) of Insurance), showing a minimum of \$500,000 third party liability coverage;
- A copy of ICBC repair estimate, or, if ICBC coverage did not apply, copies of estimates from two (2) repair shops;
- A copy of the receipt for repair, if not repaired through ICBC; and
- A copy of the receipt for payment of the deductible portion of the loss.

Repairs must be completed prior to submitting a claim. Employees cannot claim for reimbursement if the damage was caused by their own negligence.

### Insurance arrangements when using a rental vehicle for TRU business within BC

Individuals traveling on TRU business may opt to rent instead of using their personal vehicle. TRU as part of the BC public sector is a party to the Province's [Daily Vehicle Rental Corporate Supply Arrangement](#) (CSA). Under this arrangement TRU gets preferential rental rates and access to provincial insurance arrangements. Note that this arrangement only applies within British Columbia, and all drivers have to be over 19 and have completed the graduated licensing program.

When arranging to rent a vehicle, make sure that the rental agency is aware that you are renting for TRU business using the CSA and decline any insurance offers made by the company.

If the car is damaged during the rental period follow the rental agency's reporting requirements. Most agencies require a report of any significant damage to their vehicle within 24 hours. If the car has been seriously damaged, or if it has been stolen or vandalised you will also need to report to local police services.

At the end of the rental period the agency will inspect the car for any damage. If they note that damage has occurred they will complete an accident and incident form, and they will likely ask for immediate payment. You should **not** make any payment for claims but instead ask the agency to send an invoice to Risk Management Services (either at [insurance-liability@tru.ca](mailto:insurance-liability@tru.ca) or through the mail to the university, c/o Risk Management Services). NB under the CSA TRU is only liable for the \$1000 deductible (\$300 for windshield replacements).

You should also send a copy of the accident and incident form to Risk Management Services, along with a brief description as to the nature of the trip and how the damage occurred. If you dispute the damage please also supply any supporting information (for example photographs etc).

If you or any other TRU employees travelling with you are injured during your trip you should contact the Safety and Emergency Planning office for advice on completing WorksafeBC documentation.

### Insurance arrangements when using a rental vehicle for TRU business outside BC

The CSA referred to above only applies to British Columbia. If you are renting a vehicle in another Canadian province or in the USA either purchase collision damage waiver and third party liability coverage from the rental agency or purchase Supplementary Liability Insurance (also known as ICBC APV281 policy) from an ICBC insurance agent. This protects the authorized driver against 3rd party bodily injury and property damage claims. It is generally less expensive than purchasing insurance from the rental agency, and makes sure that any accidents are not recorded against your personal car insurance.

When renting a vehicle outside of Canada and the USA normal insurance premiums should be paid, including Collision Damage Waiver and a minimum of \$2MM third party liability coverage.

It is recommended that any faculty or staff who are travelling outside of Canada on TRU's business and who may be driving a vehicle outside Canada check with ICBC regarding the applicability of their automobile insurance coverage. It is up to the individual to decide if additional automobile insurance needs to be purchased prior to departure.

### Insurance arrangements for longer term rental vehicles

The CSA does not cover longer term (more than 30 day) rental of vehicles by the broader public sector. Departments and faculties looking to rent vehicles for more than 30 days should seek advice and support from Purchasing. Insurance coverage for rentals **over 30 days but less than three months** should be purchased through the rental agency and should include:

- Collision Damage Waiver; and

- A minimum of \$2M third party liability coverage (If the third party liability coverage offered is \$1MM or less, purchase additional insurance to increase the level of coverage to \$2MM.)

**Do not purchase:**

- Personal Injury/ Accident Insurance; or
- Cargo Insurance/ Personal Effect Insurance

Insurance coverage for rentals **over three months** can either be arranged through Facilities or purchased through the rental agency. If purchasing through the rental agency please purchase insurance as outlined above.

**Transporting Students or employees in a personal or rental vehicle**

When a TRU employee transports students or employees (excluding informal ride sharing arrangements made between individuals) in their personal vehicle they must provide their faculty/school or division with:

- A completed [TRU Driver Information form](#)
- A current copy of their [ICBC Driver's abstract](#)
- A copy of their class 5 drivers' licence

The approver should check that the individual has a clean driving record; ICBC as the primary vehicle insurance coverage provider; the appropriate rate class (see above) and that they have a minimum of \$2M in third party liability coverage (\$5M is highly recommended). Students volunteering to drive must be authorised by their faculty/ school and be recorded as a volunteer driver.

Driver Information forms are valid for one year. Driver Information forms and associated paperwork should be filed by the faculty or department in a secure confidential location.

The university encourages departments or faculties transporting large numbers to avoid renting large capacity vehicles (more than ten people including the driver) and instead contract with a transport provider. This is because of the higher risk profile of such vehicles. Large capacity vehicles or buses can only be driven by holders of class four licences. The University also requires evidence of recent (within the previous five years) training in this type of vehicle, and \$10M third party liability coverage. As the CSA does not allow for this liability limit, this type of vehicle rental will need to be arranged outside of the CSA and the necessary liability coverage must be purchased from the rental agency.

NOTE: The University through University, College and Institute Protection Program (UCIPP) has excess automobile liability coverage, which provides coverage (for incidents where the driver is on university business) in excess of the individual or rental agency policies. However, drivers should note that the vehicle owners' automobile liability is always the primary coverage to the full extent of the limit of coverage carried.