

# Carnegie Mellon

AVP – Risk  
Office of Risk Management

**TO:** Margaret Weigand

**FROM:** Brian A. Cappo

**DATE:** September 16, 2005

**SUBJECT:** Automobile Liability Insurance Guidelines for Leased/Rented Vehicles  
(Non Fraternity/Sorority Clubs and Organizations)

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1. Leased/rented vehicles for less than thirty (30) days are considered short-term rentals and are insured by the university's automobile liability insurance company, The Hartford, with coverage in the amount of \$1,000,000 for third party legal liability claims for bodily injury and property damage, per accident, and a physical damage (collision & comprehensive claims) limit up to \$50,000 and is subject to the following conditions:
  - a. Any vehicle that is leased/rented and has a value over \$50,000 must be specifically scheduled with the Office of Risk Management prior to the start of the lease/rental agreement.
  - b. This coverage is only provided for vehicles leased/rented in the following **coverage territory**:

The United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada.
  - c. Vehicles leased/rented outside the coverage territory identified in "b" above are not provided insurance coverage by the university's automobile liability insurance policy. Faculty and staff should be advised to purchase any required automobile liability and physical damage insurance in countries that fall outside of the coverage territory identified in "b" above.
  - d. All physical damage automobile claims occurring in the covered territory are subject to a \$1000 per Collision (\$500 Comprehensive) deductible. (Departments are not currently responsible for the reimbursement of any

deductibles. Deductibles are currently funded by a self-insured program fund.)

- e. Leased/rented vehicles should be leased as: Carnegie Mellon University - \_\_\_\_ (name of faculty, staff, or student) \_\_\_\_\_.
  - f. Departments leasing automobiles for more than thirty (30) days should contact the Office of Risk Management to confirm applicable insurance coverage.
2. All drivers of hired/leased vehicles must be over the age of twenty-one (21).
  3. Fifteen passenger vans should not be rented by any faculty, staff or students without prior authorization from the Office of Risk Management.
  4. To avoid the submission of questionable rental vehicle damage claims, renters are encouraged to visually inspect the rental vehicle prior to leaving the rental company's property. Upon completion of the inspection, renters should make note of all visual vehicle damage and secure the rental associate's concurrence by confirming such damage on the vehicle rental agreement.
  5. The University's current automobile insurance carrier requires motor vehicle registration checks performed on all faculty, staff and student drivers renting vehicles for University business purposes. Attached are two forms: PA Request for Driver Information and a Non – PA Request for Driver Information form authorizing the University to complete a driver's vehicle registration check. A copy of the individual's driver's license should accompany the form. (Note: the driver should select the appropriate form, complete it and return it to Risk Management (with a copy of the individual's driver license) for processing.
  6. Contact the Office of Risk Management for operator guidelines with international driver license only.

Attachment: PA & Non-PA Request for Driver Information

PA Financial ID Card