This Risk Management Memo provides information on the conditions and procedures for and the source of reimbursement to employees for damage sustained to their privately-owned vehicles when authorized to be driven in the performance of, or necessary to, or in the course of the duties of University employment.

**Background**
The authorized use of a privately-owned vehicle to conduct University business presents financial risk to both the employee and the department authorizing its use.

An employee’s personal automobile insurance policy is the primary coverage for liability and damages in the event of an accident while driving his/her personal vehicle on University business. Liability coverage maintained by the State of California is only applicable to the liability of the employee that is over and above the liability insurance maintained by the employee.

A University Department is responsible for payment to an employee for claimed expenses for vehicle repair or other incidental costs resulting from damage to his/her privately-owned vehicle authorized and used in the course and scope of university business. The University may only reimburse these costs, if they are not otherwise reimbursable through the insurance coverage of any of the parties involved in the accident. **Costs may be claimed only if the vehicle accident/damage was not the fault of the employee.**

**Employee Procedures for Filing a Claim**
The employee must:

1. File a Report of Vehicle Accident form, STD. 270.
2. Attempt to recover damages through insurance coverage.
3. Prepare a Travel Expense Claim (TEC) and attach:
   - The green copy of STD. 270, signed by the employee’s supervisor
   - An itemized receipt for repairs/parts
   - Proof of payment of repair costs
   - Three (3) estimates of repair costs
4. Enter the following certification in the Remarks Section of the TEC: “I hereby certify that this expense was incurred by me as a result of damage to my privately-owned vehicle. This expense is not reimbursable through the insurance coverage of any of the parties involved in the accident.”

**Required Actions by the Approving Official:**
The approving official shall:

1. Review the completed STD.270 and TEC for accuracy and completeness.
2. Sign STD to certify that the vehicle was being operated on official university business and that the accident was not through the fault of the employee.
3. Determine that the claim is not the results of the employee’s decision not to maintain collision coverage. Claims resulting from the employee’s decision not to maintain collision coverage are not handled through the TEC process. Claims filed because of a decision not to maintain collision coverage may be filed with the State Board of Control. For additional information concerning the procedures to file a State Board of Control Claim, contact Safety and Risk Management.

4. Sign TEC to certify that the employee has presented sufficient evidence that the repair expense has not been paid by insurance and to authorize payment for the least costly of the three competitive estimates.

Questions concerning issues related to the use of a privately-owned vehicle for University business should be directed to the office of Safety and Risk Management. Questions concerning the completion of a Travel Expense Claim (TEC) should be directed to the Accounts Payable Manager.

FORMS: NA