

		Department of Administrative Services Central Procurement and Fleet Services Enterprise			
		Title/Subject:		Fleet Services Vehicle Self-Insurance Coverage	
		Applies to:		Effective Date: 6/30/2022 Revised Date: 6/1/2025 End Date:	
		Applies to:		All Executive Branch Employees, Non-Employees Representing the State	
X	Policy	Approved by:	Director Adam Steen	Policy #	650.410
X	Procedure	# of Pages:	4	Procedure #	650.410
	Other	Instruction:			
Legal Authority:					

I. Purpose

- A. The purpose of this policy is to define vehicles and coverage by the DAS Vehicle Self-Insurance fund.

II. Policy

- A. Fleet Services Vehicle Self-Insurance Coverage Policy applies to vehicles in the DAS inventory. Vehicles that are considered DAS Inventory pay into the vehicle self-insurance fund. This fund provides liability, collision, or comprehensive expenses. Any potential liability, collision, or comprehensive loss which occurs while conducting State business in a State-owned DAS vehicle must be reported to the DAS Fleet Services Risk manager within 24 hours of the occurrence. Failure to report an incident in this timeframe may result in payment of loss from the funds of the State driver’s employing agency rather than from the vehicle self-insurance fund. Completed accident reports and estimates are due within 72 hours. Agencies have 60 days to complete repairs to the vehicle once approval is given unless the agency notifies fleet services of justifiable delays.
- B. Equipment (mowers, gators, boats, etc.) and excluded vehicles are not covered by the vehicle self-insurance fund. Departments that own excluded equipment or vehicles may purchase an outside insurance policy with a contracted provider. DAS Procurement will facilitate purchasing these policies with the contracted vendors.

- C. All State drivers who drive State vehicles or who operate a personal vehicle for State business must possess a valid, non-restricted Driver's License with the correct endorsements. If an agency allows a driver to operate an otherwise covered vehicle without the driver verifying they have a valid, non-restricted Driver's License, coverage by the DAS Vehicle Self-Insurance fund may be negated. This also applies to drivers that have a valid driver's license, but are suspended from driving state vehicles due to violations resulting in a corrective action.
- D. State drivers involved in an accident in a state-owned vehicle where it is determined the vehicle was not being used appropriately may not have the loss covered by the DAS Vehicle Self-Insurance fund. This is at the sole discretion of DAS Fleet Services based on the facts provided by the driver(s) involved, witnesses, police reporting, and/or available GPS/Surveillance data. Examples include, but are not limited to, using the state vehicle on personal business, misuse/reckless use of the vehicle, or driving the vehicle in obvious dangerous driving conditions (i.e., driving in a blizzard when travel is not advised, taking the vehicle "off-road", etc).
- E. The Vehicle self-insurance fund complies with Iowa law that requires minimum liability coverage of the following: \$20,000 because of bodily injury to or death of one person in any one accident; \$40,000 because of bodily injury to or death of two or more persons in any one accident; and \$15,000 because of injury to or destruction of property of others in any one accident.

III. Procedure

A. Definitions

1. Vehicle Self-Insurance Fund: An agency pays a specified monthly payment for every DAS inventory vehicle owned into this fund.
2. DAS Inventory: Any vehicle currently paying into the vehicle self-insurance fund.
3. Excluded Vehicles: Any vehicle that does not pay into the vehicle self-insurance fund. Equipment added to vehicles in the DAS Inventory not purchased with vehicle depreciation funds is also excluded.
4. Liability Coverage: Full or partial insurance coverage for property damage and/or injuries to another person caused by an accident in which you're at fault. Coverage from this policy for any tort claims is limited to \$250,000 total for an accident in which the state driver was determined to be at fault.
5. Collision Coverage: Full or partial insurance coverage for the repair or replacement of a vehicle if it is damaged in an accident with another

vehicle or object.

6. **Comprehensive Coverage:** Full or partial insurance coverage for the cost of damages to a vehicle involved in an incident not caused by a collision. Fleet Services will process a 29C.20 claim when appropriate to seek reimbursement from the Executive Council, and if the 29C.20 is approved, the deductible described in paragraph C will be refunded to the agency. This also applies to claims where another party is determined to be at fault, and DAS is able to recover 100% of the costs from the other party or their insurance.

B. Coverage

1. Any vehicle currently paying into the vehicle self-insurance fund has the following coverage guidelines:

Covered	Non Covered
DAS Inventory Vehicles.	Personally owned vehicle being driven for state business.
Accessories that were purchased with funds from the vehicle replacement-depreciation account.	Aftermarket accessories not purchased with vehicle replacement-depreciation account funds.
Agency-owned trailers that are attached to a covered vehicle.	Contents of a vehicle or trailer.
State vehicles driven by authorized/validated employees.	State vehicles driven by unauthorized/suspended employees.
Accidents that occur while used on state business.	Accidents that occur while the vehicle is being used inappropriately/recklessly.
Motor Pool rental vehicles.	Vehicles and trailers rented from a third party (contact rental location for coverage options).

2. If the accident is not the fault of the State driver of a vehicle, the other insurance company may pay for the contents.

C. Deductible

1. A deductible (\$1,000) will be required for all covered vehicles for which an agency submits an accident report form after an accident or incident occurs.
2. A deductible is not applicable to glass replacement or repairs.
3. A deductible is not required for trailers attached to a covered vehicle.
4. When an agency is charged a deductible for a claim, the deductible will be refunded back to the agency if DAS is able to recover 100% of the cost of the repairs (i.e., 29C.20, subrogation).

D. Payment

1. DAS Fleet Services will pay the invoice to repair DAS inventoried vehicles after the vehicle's driver's agency pays the required deductible unless the vehicle is considered totaled.
 - a) When a vehicle is considered "totaled":
 - (1) When the repair estimate cost is 50% or more of the NADA adjusted clean trade-in value or
 - (2) If the DAS purchase price is less than the NADA adjusted clean trade-in value, "totaled" value is 50% of the purchase price as calculated by the CAS CPFSE CFO.
 - b) If the vehicle is considered "totaled" it will not be repaired, the agency's depreciation funds will be reimbursed the determined value of the vehicle. The agency will need to determine their vehicle replacement needs. If a vehicle is needed, the agency will submit a vehicle order form to DAS Fleet Services. If the estimate is less than what would qualify as "totaled", repairs will be authorized.
 - c) The determined value for trailers attached to a totaled vehicle will be sent to the Agency.
2. DAS Fleet Services will pay invoices related to an accident from the self-insurance fund. This includes towing and fees related to total loss (teardown, administrative, and storage fees).

E. Communication

1. This Policy is available on the DAS Fleet Services website.
2. Inquiries regarding this Policy shall be presented in writing to the DAS Fleet Manager.

