A technical reference bulletin by the Risk Control Services Department of the Glatfelter Insurance Group

Glatfelter Healthcare Practice℠
A Division of Glatfelter Insurance Group

RISK COMMUNIQUÉ

Vehicle Fleet Risk Control

Fleet safety is an essential risk control element for organizations that own or leases vehicles and for those that allow employees to use personal vehicles on organization business. Motor vehicle-related incidents are consistently the leading cause of work-related fatalities in the United States. Thirty-six percent of occupational fatalities reported by the Bureau of Labor Statistics are associated with motor vehicles[1] .

Many companies have vehicles to help support business operations. The fleet can be as large as 1,000 trucks or as small as one. It can be made up of personal passenger vehicles used by staff or a fleet of cars, buses or delivery trucks. A vehicle fleet safety program shows social responsibility and may decrease the likelihood of serious vehicle accidents and regulatory fines.

This communique is intended to provide information to help organizations evaluate and improve their fleet safety programs. It is not inclusive of all fleet risk control issues.

A fleet safety program consists of several key elements:

- Management support.
- Driver selection and motor vehicle record (MVR) assessment.
- Drug/alcohol testing.
- Driver training, communication and motivation.
- Vehicle selection, inspection and maintenance.
- Accident reporting and trending/analysis.
- Program evaluation.

Management Support

Management guidelines for fleet operations demonstrate to employees that safe operation of vehicles is important. Items to consider in a management support/safety policy statement for fleet operations include:

- Management's philosophy concerning motor fleet safety.
- Methods used to control vehicle loss.
- Topics such as restraint systems and adherence to posted speed limits.
- A firm message related to distracted driving and driving while impaired.
- Limiting use of vehicles by non-employees.
- Addressing use of non-owned vehicles for organization business.
- Methods to ensure compliance with regulations.
- Assigning responsibility for fleet safety.
- An accountability system.

The nature and extent of the program will depend on the fleet size, number of drivers and fleet type.

[1] Centers for Disease Control/NIOSH – (www.cdc.gov/niosh)

Driver Selection

Selecting & Assessing New Drivers

Key steps in the selection/assessment process include:

- Interviews with all applicants to address their background and skills related to driving.
- Checking references.
- Review of MVR history as compared to organization standards.
- Verification of current, unrestricted driver's license.
- Medical exams as warranted or required by law.
- Considering a written driver's test as part of orientation competencies.
- Road test for truck and specialized vehicle drivers.
- Consideration of required minimum driving experience for specific vehicles.

Include an examination of the driving history for an applicant as a part of the screening process. This type of background check provides useful information for the analysis of the applicant's ability to operate a vehicle safely and can be compared with the organization standards to determine whether the applicant's record is acceptable. An example of organizational MVR standards could be:

1. No more than three moving violations or more than one chargeable accident during the past 36 months, AND
2. No major convictions (driving under the influence of alcohol or drugs, reckless driving, etc.) within the past seven years.

Organizations operating a fleet of commercial motor vehicles may be subject to U.S. Department of Transportation (DOT) and Federal Motor Carrier Safety regulations (FMCSR). FMCSR has minimum driver qualification criteria. These regulations apply in several situations, including operation of a passenger vehicle designed to transport more than 15 people.

Assessing Current Drivers

It is recommended that a system is in place to assess the ongoing performance of drivers. Such a program might include:

- Periodic review of the driver's motor vehicle record (annual basis).
- Comparison of the number of avoidable/total accidents and moving violations against established standards.
- Assessment and authorization of employees who operate organization pool vehicles.
- Periodic on-the-road observations to evaluate driver skills.

Driver Training

New-Hire Training

A driver training program starting at new hire orientation may be used to improve the skills of drivers and orient the driver to the organization's driver and fleet safety policies, equipment and procedures.
It is advisable to develop an initial, general and job-specific orientation checklist to guide supervisors in the process. Driver safety training may cover the following topics:

- Vehicle operations.
- Vehicle maintenance.
- Training on defensive, incident-free driving.
- Daily vehicle safety checks (see Appendix 1).
- Procedures to follow in the event of an emergency.

Ongoing Training

Ongoing or refresher training may be used to update drivers on operational changes, equipment and/or government regulations. Job-specific issues, weather-related driving tips and defensive driving tips are several examples of training topics that could be covered during ongoing training.

Drivers with substandard performance or those involved in motor vehicle accidents may benefit from remedial classes or training. Document training and communication activities to help ensure that drivers participated in training and they are receiving communication materials.

Vehicle Selection, Inspection and Maintenance

Proper selection and maintenance of vehicles is an important aspect of a fleet loss control program. A comprehensive selection and maintenance program may help reduce operational costs and accidents.

Examples of vehicle specification criteria include:

- Restraint systems.
- Accessory equipment.
- First-aid kits.
- Emergency and communication equipment.
- Maintenance schedules.
- Insurance.
- Other safety features (such as airbags and antilock brakes).

Vehicle accidents and breakdowns may result in death, injury or property damage as well as missed deliveries, bad publicity, customer dissatisfaction or on-the-road repair problems. A documented program of vehicle inspections may be used to detect and address defects or mechanical conditions before they lead to an accident or breakdown.

Some considerations for vehicle inspection and maintenance programs include:

- Pre- and post-trip inspections for all owned vehicles, where required (See Appendix 1).
- Annual safety inspections (at a minimum) of the personal passenger fleet, including privately owned vehicles used on organization business (See Appendix 2).
- Inspection and maintenance according to manufacturer recommendations.
- Defect reporting and follow-up procedures.
- Emergency repair procedures.
- Inspections necessary to comply with legal or consensus industry standards.
- Documentation of all of the above, maintained at a central location by a fleet manager.

Accident Reporting and Trending/Analysis

A goal of fleet safety programs is to reduce or eliminate motor vehicle accidents. To achieve this, establish a system for reporting, recording and analyzing the facts surrounding vehicle accidents. Investigate all accidents. To prevent recurrence of similar accidents, it's important for management to know the details of the accident so that appropriate corrective measures are taken. Accident investigations may identify the need for:

- Driver training and/or refresher training.
- Improved driver selection procedures.
- Improved vehicle inspection and/or maintenance activities.
- Changes in driver safety policies/procedures.

Motor vehicle accident recordkeeping procedures may include the following elements:

- Documentation of causes and corrective action.
- Management review.
- Analysis of accidents to determine trends, recurring problems and the need for further control measures.
- Compliance with OSHA and DOT requirements where necessary.

Create a permanent record/file that contains pertinent information about the accident, including:

- Preliminary accident report from the driver.
- Copies of the accident report submitted to various agencies (e.g., insurance carrier, DOT).
- Accident investigation data.
- Police reports.
- Photos, witness statements and other useful evaluation information.

If an organization is required to follow DOT regulations, an accident register must be maintained listing all DOT-recordable accidents. The definition of a DOT-recordable accident is "an occurrence involving a commercial motor vehicle on a public road in intrastate or interstate commerce, which results in: 1) a fatality; 2) injury to a person requiring immediate treatment away from the scene of the accident; or 3) disabling damage to a vehicle, requiring it to be towed."

Implementation of accident reporting procedures is the responsibility of both the driver and management.

Driver Responsibility

As the first person at the accident scene, it is important that the driver initiate the information-gathering process as quickly and as thoroughly as possible.

Management Responsibility

Management is responsible for obtaining the accident data from the driver through reporting forms and by verbal communication. It is important for management to determine the seriousness of the accident, especially if it involves injury or death to the driver, passengers or other parties. Performing a formal investigation as soon as possible will help determine the underlying causes and corrective actions needed. Forward completed accident reports to the insurance carrier claims office with a copy to DOT, where required.

Drug & Alcohol Testing

If a company has drivers of commercial motor vehicles that exceed 26,001 pounds or are designed to transport 15 or more passengers, including the driver; or a vehicle that transports hazardous materials, a drug and alcohol program must be implemented that meets Federal Highway Administration regulations. The program is composed of the following elements:

- Testing.
- Pre-employment.
- Reasonable cause.
- Post-accident.
- Random.
- Record retention.
- Employee assistance program.
- Medical review officer.

A written policy is also required.

Program Evaluation

Conducting periodic reviews may help ensure that each element of the program is functioning properly. These reviews provide valuable information on areas where the program needs to be updated due to changes in operations, regulations and/or experience. Program evaluation results are essential to the accountability system that underlies a management approach to fleet safety.

A periodic evaluation of the fleet safety program might cover the following areas:

- Management leadership/policy.
- Driver qualification.
- Driver training.
- Driver supervision.
- Vehicle selection, inspection and maintenance.
- Routing and scheduling.
- Accident reporting, recording and analysis.

It is beneficial to perform a formal evaluation of the fleet management program on an annual basis. The evaluation results may then be included as part of the performance appraisal process for groups and individual employees.

References

U.S. Department of Transportation and Federal Highway Administration. Federal Motor Carrier Safety Regulations: Parts 325; 356-379; 382; 383; 385-387; 390-399; 40.
The American Society of Safety Engineers (www.asse.org)
Centers for Disease Control/NIOSH – (www.cdc.gov/niosh)

Appendix 1

SAMPLE: VEHICLE CHECKLIST (checks to be conducted before use of the vehicle)

Vehicle registration no: _____ Odometer reading: _____

Vehicle make/type: _____ Operator: _____ Date: _____

EXTERNAL VEHICLE CONDITION

Item	√ = satisfactory/available X = defective/missing N/A = not applicable	Comment
Condition of vehicle bodywork, windshield, windows, lights		
Condition of windshield wipers		
Cleanness of windshield, windows, mirrors, lights, license plate		
Condition of tires, tire pressure, tire wear		
Availability of spare wheel & jack		

FLUIDS

Item	√ = satisfactory/available X = defective/missing N/A = not applicable	Comment
Engine oil level		
Coolant level		
Windshield cleaner level		
Brake fluid		
Power steering fluid		
Condition of battery		

VEHICLE INTERIOR AND EQUIPMENT

Item	√ = satisfactory/available X = defective/missing N/A = not applicable	Comment
Condition & function of seat belts		
Head restraint adjustment		
Mirror adjustment		
First aid kit		
Fire extinguisher		
Flashlight		
Emergency road kit		
Vehicle handbook		

FUNCTION CHECKS BEFORE STARTING TRIP

Item	√ = satisfactory/available X = defective/missing N/A = not applicable	Comment
Hazard lights		
All lights		
Horn		
Washers & wipers		
Brake		
Fuel		

All the items above have been checked and any defects and omissions reported.

Driver's signature: _____

Appendix 2

SAMPLE: ANNUAL VEHICLE INSPECTION REPORT

Date: _____
Vehicle unit number:_____ License number:_____Mileage: _____
Year:_____ Make: _____ Model: _____
Serial number:_____
Department: _____ Driver:_____ _____

❑ 4 cylinder ❑ 6 cylinder ❑ _____other ❑ Cruise ❑ Tilt wheel

INSPECT AND CHECK ONE:

Lights

Head:	❑ OK	❑ Out	Back-up:	❑ OK	❑ Out
Parking:	❑ OK	❑ Out	Side:	❑ OK	❑ Out
Tail:	❑ OK	❑ Out	Flashers:	❑ OK	❑ Out
Directional:	❑ OK	❑ Out			

Tires

Front left:	❑ Good	❑ Fair	❑ Poor	Front right:	❑ Good	❑ Fair	❑ Poor
Rear left:	❑ Good	❑ Fair	❑ Poor	Rear right:	❑ Good	❑ Fair	❑ Poor
Conventional spare:	❑ Good	❑ Fair	❑ Poor	Snow tires:	❑ Yes	❑ No	

Spare: ❑ Yes ❑ No ❑ Good ❑ Fair ❑ Poor

Note and explain uneven wear: _____
_____

Brakes

Comments: _____
_____
_____

Check brake fluid: ❑ Full ❑ Low

Exterior

Paint, overall condition.	❑ Good	❑ Fair	❑ Poor
Chrome, overall condition.	❑ Good	❑ Fair	❑ Poor
Glass, overall condition.	❑ No damage	❑ Damage	

Exterior damage? ❑ Yes ❑ No

If "Yes," was claim submitted? ❑ Yes ❑ No

If "No," why not: _____
_____

Explanation of overall exterior condition: _____
_____

Interior

Overall appearance:	❑ Clean	❑ Worn	❑ Dirty		
Condition of seats:	❑ Good	❑ Springs broken	❑ Sagging		
Condition of upholstery:	❑ Clean	❑ Worn	❑ Dirty	❑ Torn	❑ Burn holes
Condition of carpets:	❑ Clean	❑ Worn	❑ Dirty	❑ Torn	
Floor mats:	❑ Yes	❑ No			
Windshield wipers:	❑ Good	❑ Fair	❑ Poor		
Knobs, handles, etc.:	❑ Good	❑ Broken	❑ Missing		

Accessories:		
Flash light:	❑ Yes	❑ No
Horn working:	❑ Yes	❑ No
Safety belts:	❑ Working	❑ Nonworking
Windshield scraper: (if applicable)	❑ Yes	❑ No
Rear window defroster:	❑ Working	❑ Nonworking
Accident report kit:	❑ Yes	❑ No
Driver's manual:	❑ Yes	❑ No
Condition of trunk:	❑ Clean	❑ Dirty
Accessories:		
Jack:	❑ Yes	❑ No
Handle and base:	❑ Yes	❑ No
Lug wrench:	❑ Yes	❑ No
Flares or reflectors (2-6):	❑ Yes	❑ No

Under Hood

Engine: ❑ Clean ❑ Dirty

Engine oil: ❑ Full ❑ Low
Condition: _____

Mileage of last oil change: _____ Mileage of last filter change:_____
Mileage of last lubrication: _____

Windshield washer fluid: ❑ Full ❑ Low
Battery water level: ❑ Full ❑ Low
Nonfillable: ❑ Yes ❑ No
Transmission fluid condition: ❑ Full ❑ Low Color: ❑ Red ❑ Black
Power steering fluid: ❑ Full ❑ Low

Overall Rating of Car

Excellent ❑ Good ❑ Fair ❑ Poor

Driver's comments: _____
_____
_____

Inspector's comments and recommendations: _____
_____
_____

Driver's signature: _____
Fleet Coordinator signature:_____
Scheduled completion date of corrective action: _____