
2357 – TRAVEL AND ENTERTAINMENT POLICY – RENTAL CARS

Resp. Office: Purchasing Services
Approval: Executive Director, Purchasing Services
Effective: April 1, 2015
Last Revision: April 1, 2015
Last Review: April, 2017

PURPOSE

To provide travel guidelines regarding the use of rental cars when traveling on behalf of the University.

SCOPE

This policy applies to the procurement of rental cars by and for all faculty, staff, students and postdocs renting a vehicle on behalf of the University and seeking reimbursement for related expenses from the University, regardless of the funding source.

FACULTY, STAFF, STUDENT, POSTDOC RESPONSIBILITY

It is the responsibility of Penn travelers to have valid driver's licenses and clean driving records if renting cars on behalf of the University. Penn travelers should rent cars from Penn's preferred rental car companies and use the corporate ID numbers affiliated with those rental car companies in order to obtain the University's negotiated rates and insurance coverage. Information about Penn's preferred rental car vendors can be found at the following site: <http://cms.business-services.upenn.edu/penntravel/preferred-vendors/ground-transportation.html>.

Prior to renting a vehicle for University travel, individuals must take the Penn's *Fundamentals of Driver Safety* course as described in this policy.

Full responsibilities of the employee, student or postdoc can be found in Policy #2352.

RESPONSIBILITY OF APPROVERS

Approvers perform a critical control function for the University. Collectively, approvers ensure that expense reports processed for payment are complete, appropriately funded, compliant with policy and are associated with activities that have a valid and necessary business purpose. Designated approvers should assist individuals, as necessary, with understanding applicable policies and compliance requirements.

Full responsibilities of approvers can be found in Policy #2352.

POLICY

The size of the rental car should be the least expensive model consistent with the number of travelers and the business purpose of the trip.

- 1) Travelers are authorized to use rental cars based on the cost efficiency and availability of other means of transportation.
- 2) Legitimate car rental costs include daily rental fees, local and state taxes, concession fees, mileage fees and drop-off fees. Non-reimbursable costs include, but are not limited to, unnecessary upgrades, car repairs, tickets and fines. Travelers should minimize the associated rental car expenses on behalf of the University such as refueling the car to avoid excessive refueling fees at the time of return.
- 3) Penn employees are expected to decline the loss damage waiver (LDW/CDW) option, supplemental liability coverage, personal accident insurance (PAI) and other additional insurance options when renting a car for business purposes on domestic travel. If Penn drivers are unfamiliar with this policy and accept any of the insurance options listed above, they will not be reimbursed for any of these costs.
 - a) Coverage options such as LDW/CDW (damage to the vehicle) and supplemental liability are included when you use Penn's corporate ID numbers with National, Enterprise, Avis, and Budget.
 - b) Any insurance provided by the rental car company is primary and is supplemented by Penn's insurance coverage. For additional information on insurance coverage and reimbursement guidelines, click here on [Insurance](#).
 - c) All travelers who intend to drive the rental vehicle must be listed on the rental agreement for insurance purposes. The additional driver fees are waived in most locations at National, Enterprise, Avis, and Budget.
 - d) Any additional questions about car rental insurance should be directed to the Office of Risk Management at 215.898.4327. Travelers must notify the Office of Risk Management immediately in the event of an accident.
- 4) Faculty, staff, authorized students, and postdocs must take Penn's *Fundamentals of Driver Safety* course prior to renting cars for business purposes. Individuals can sign up for the course on Knowledge Link. Authorized drivers should contact the Office of Risk Management at 215.898.4327 for more information.

Financial Policy No. 2607 states:

Reimbursement for loss or damage of a rental vehicle will be subject to a departmental deductible of \$250 per occurrence. Any loss or damage sustained by a driver who has not attended the University's Fundamentals of Driver Safety course will be subject to a 100% deductible (i.e., the department will be responsible for the total repair cost).

- 5) Students are not covered under the University's insurance policy unless specifically authorized by a School or Center to rent a car. Students may use the University's corporate ID numbers only when all of the following conditions are met:
 - They are renting a vehicle for a School-sponsored event
 - The rental has been authorized by a School or department

- They are 21 years of age or older
- They have a valid driver's license
- They have a clean driving record
- They have completed Fundamentals of Driver Safety course

If students have met the criteria listed above and are renting a car from National or Enterprise (using the Corp ID#), they are automatically covered for damage to the vehicle. They may decline the supplemental liability (SLI) coverage if all of the following conditions apply:

- The trip is more than 6 hours or more of consecutive driving time
- The number of vehicle occupants is 6 or more
- The destination is to New York, Massachusetts, Florida or California

The University's Travel Administrator reserves the right to determine whether renting a car is necessary for student groups or if other modes of transportation are more appropriate. The University will not authorize or complete any Additional Insured Endorsement forms on behalf of student drivers.

- 6) When traveling internationally on business, a University employee is authorized to accept both the loss damage waiver (LDW/CDW) and additional liability coverage. Any additional questions about international car rental insurance should be directed to the Risk Management office at 215.898.4327.
- 7) In non-business-related travel situations, employees may use the corporate ID numbers with National, Enterprise, Avis, and Budget, but insurance coverage is not provided by either the rental car company or the University.