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# Guidelines for Developing a Fleet Loss Control Program

## Safety Policy

Irrespective of the size of the operation, it is essential for management to make their employees aware that a safe operation is of paramount importance. More commonly this directive takes the form of a safety policy. While this may be addressed to all employees, it should not leave the impression that when a driver is on the road the requirement for compliance with the safety policy is lessened.

Basically the safety policy should state management's concern with safe operations, including vehicular safety, that employee cooperation is expected, and that employees will be held accountable for deviations from safe practices. The policy statement should be signed by the owner/president of the company and well publicized throughout the organization. As management sets the example for its employees, it is imperative that everyone adheres to the safety policy at all times.

## Reference Checks

A check should be made with previous employers to determine those facts about the applicant's employment with them as allowed by current law.

The driver's file should include documentation on the responses received. Motor carriers subject to the Federal Motor Carrier Safety Regulations (FMCRS) are required to investigate the

driver's employment record for the preceding 3 years (10 years for drivers required to have a CDL). When a previous employer cannot be contacted, a certified letter should be sent to that employer's last known address to help verify that an effort was made to complete the reference check.

## Motor Vehicle Record (MVR)

A copy of the driver's state MVR should be obtained from each state where a driver holds a license, to ascertain that the applicant has a valid license and to review the driver's past record. A driver required to have a CDL can only be licensed in one state. A history of accidents and moving traffic violations could indicate a major problem with the applicant.

An MVR also should be obtained periodically for each driver and reviewed to determine whether remedial training is necessary. The MVR should be reviewed with the driver and made part of the driver's file. This review may give the supervisor insight as to the driver's attitude regarding traffic rules and regulations. Motor carriers subject to the FMCSR are required to obtain a driver's MVR for the previous three years, from each state in which the driver held a license or permit, when the driver is hired.

Research has proven that accurate MVR's can help predict future crash involvement. Unfortunately, research conducted by the insurance industry also has indicated that many reportable accidents never appear on

a driver's MVR. Traffic violations may also slip off the record in states that allow a driver to attend a driver improvement course and have the driver's record purged of the offense record. In some states, the driver may never have the offense included on the MVR if the driver remains conviction-free for a specified period of time.

Drivers required to have a CDL must report convictions for violations of motor vehicle traffic laws and ordinances, other than a parking violation, to their employer within 30 days, regardless of the type of vehicle the driver was operating.

## Company Rules and Policies

Company rules and policies should be provided to drivers in written form. Revisions to this information must be given to drivers on a timely basis, and it must be assured that each driver understands the changes. The person who indoctrinates a new driver into the company should review the rules and policies with the driver.

## Vehicle Inspection

Inspection is the first line of defense in assuring that a motor vehicle is in safe operating condition. In addition to safety, inspection affords many other benefits. Finding and repairing a defect or deficiency reduces the risk of a mechanical condition contributing to an accident or vehicle breakdown, that can result in



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death, injury and property damage, as well as missed deliveries, bad publicity, customer dissatisfaction, on the road repair problems, or overtime pay for drivers and mechanics.

To assure that all critical components are examined, an inspection needs to be made in a systematic manner with written reports listing all defects and deficiencies. Inspections should be made prior to each trip, periodically during a trip by the driver and upon completion of the trip. By keeping the current copy of the inspection report on the vehicle, the driver, mechanic or other interested person can ascertain at a glance the known mechanical condition of the vehicle.

Drivers are frequently held responsible for vehicle inspection, as drivers spend the greatest amount of time with a vehicle. It behooves management to have their drivers well trained in what to look for during an inspection and how to describe any problems discovered to the maintenance department. Vehicle inspection reports that provide thorough information to the maintenance department help to reduce the time necessary for mechanics to trouble-shoot a problem and can greatly improve their efficiency.

### **Accident Reporting, Recording and Analysis**

As every accident results in a reduction of company assets, the management of any business that operates motor vehicles, irrespective of size or type, should consider the elimination of all accidents as a major goal. In order to achieve this, a system of reporting, recording and analyzing the facts surrounding vehicular accidents must be established. These procedures should be reviewed often to assure that all those involved know their

role in an accident investigation and that the procedures provide for a thorough analysis of the events that led up to the accident.

### **Driver's Responsibility**

The driver's initial actions at an accident scene are often critical to minimizing the end results of the incident. The driver may be under extreme stress at the time; thus the procedures to follow must be clear and concise, and thoroughly understood. To help facilitate this, an information packet containing instructions and forms for use in the event of an accident should be carried in the vehicle at all times.

After protecting the accident scene and assisting anyone who was injured in the accident, the driver needs to collect all pertinent information at the scene in a preliminary accident report. Thoroughness in performing this task will be of great help in assessing the accident afterwards. Once the driver has obtained the basic information for the preliminary accident report, the driver's company should be contacted.

### **Management's Responsibility**

When the driver calls to report the accident, the person receiving the information should have a checklist for recording the accident data. This will aid in collecting all the vital facts so that it can be determined whether someone should be immediately dispatched to the accident scene. If there are any fatalities, serious injuries or extensive property damage, it is normally considered desirable to immediately send someone to the accident scene to initiate an investigation. If the driver is injured or killed, someone should be immediately dispatched to the accident scene to represent the company. Department of Transportation regulations

may require the testing of the driver for the use of controlled substances and alcohol following the accident.

All accidents should be investigated. Management needs to know exactly what happened and why it happened in order to determine what might be done to prevent a similar occurrence in the future. Key personnel should be trained in basic accident investigation and the investigation should be started as soon as possible, while people's memories are fresh and any evidence is still available. The investigator should determine how the accident occurred, what physical evidence might be able to reconstruct the events leading to the accident and record those facts for future reference. Photographs are often helpful for recording conditions at the accident scene and to document damage.

### **Accident Records**

A company representative should complete a formal accident report to be sent to the company's insurer as soon as possible, as well as any state or federal government reports, which may be required. A permanent file should contain all the pertinent information concerning the accident, including:

- The preliminary accident report from the driver.
- Copies of accident reports submitted to various agencies.
- Accident investigation data, police records, witness reports and any other information, which might be useful in evaluating the accident.

All vehicle accidents should be recorded, in chronological order, in an "Accident Register", to provide management with an overall summary. Analyzing the accident



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register may indicate problem areas or trends that would not otherwise be obvious by reviewing accident reports separately. The accident register should include at least the following information:

- Date of Accident, Day of Week, Time
- Name of Driver
- Vehicle Identification Number (s)
- Location of Accident
- Brief Description of Accident
- Number of Fatalities
- Number & Type of Injuries
- Amount of Property Damage

### **Determining the Preventability of Accidents**

A determination should be made as to whether the accident was a "preventable accident" on the part of the company's driver. This is irrespective of the legal conditions surrounding an accident, as preventability relates to "defensive driving" and not legal culpability. A preventable accident is one in which the driver failed to exercise every reasonable precaution to prevent the accident. In order to avoid becoming involved in a preventable accident, it is necessary for a driver to understand the concept of, and to practice defensive driving.

Defensive driving is driving to prevent accidents in spite of the incorrect actions of others or adverse driving conditions such as weather, traffic, lighting, vehicle or road condition, or the driver's physical or mental state. The results should be recorded in the driver's personnel file, thus giving management a complete synopsis of their driving history. Reviewing that record may indicate that remedial training or disciplinary action is necessary.

### **Accident Analysis**

Proper accident analysis involves the gathering of facts, arranging them in a usable format, and analyzing what transpired. A properly developed accident reporting and system will allow management to determine not only "primary" causes of accidents but also "contributing" causes which might be otherwise overlooked.

The investigation of each accident should not merely seek the specific act that was involved, but should go further in to the conditions responsible to avoid problems in the future. The investigation must include areas such as:

- Checking the driver's record for similar occurrences, length of service, and indications of poor attitude or lack of skill.
- Questioning whether a proper job of selection was done, whether training was adequate, and if the driver was properly supervised.
- Determining if there were previous indications that should have warned of an impending accident.
- Evaluations if scheduling or routing could be improved.
- Ascertaining if there was any indication of improper maintenance procedures or if an equipment deficiency was involved.
- Evaluating any conditions related to the vehicle's cargo.
- A detailed investigation helps to indicate the areas in which either specific or general corrective action should be taken. The information derived from the accident analysis should be used constructively to educate employees or change procedures in an effort to prevent future occurrences.