STATE COLLEGES & UNIVERSITIES

OFFICE OF THE CHANCELLOR FINANCE DIVISION

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MEMORANDUM

Date:

March 9, 2009

To:

College and University Presidents

From:

Laura M. King WM

Vice Chancellor - Chief Financial Officer

Subject:

Extra Territorial Automobile Liability Insurance Coverage

I have some great news to share with you regarding automobile liability insurance coverage for drivers under the age of 21 years old. As you may recall, effective July 1, 2008 our reinsurer decided to not provide coverage for drivers under the age of 21 beyond our Minnesota borders. Therefore we could no longer allow drivers under the age of 21 to operate vehicles outside the state.

Since that decision was made Keswic Joiner, Director of Risk Management, has been working with the Department of Administration to explore other alternatives. And one has been found! Effective Friday, March 6, 2009, we found extra territorial automobile liability coverage for drivers under 21 years old. This means there are no longer age restrictions on drivers beyond our state borders.

We thank you for your flexibility and patience as we worked to find a policy that met our requirements.

: James H. McCormick, Chancellor