
 CITY OWNED VEHICLE AUTHORIZATION AND USE POLICY	ADMINISTRATIVE POLICY MANUAL Section 1.2 – Miscellaneous
	Approval:  City Administrator
Effective Date: March 17, 2015	Responsible Department: Finance

PURPOSE OF THE POLICY:

The purpose of this policy is to establish guidelines and procedures governing the assignment, use, and control of City-owned vehicles utilized as transportation for employees engaged in City business.

According to the Internal Revenue Service (IRS), the personal use of a government-owned vehicle is a taxable fringe benefit and is considered a form of pay, so the fair market value of such benefits must be included in the employee's wages unless specifically excluded by federal tax rules. Please refer to Administrative Policy 1.1 regarding regulations as set forth by the IRS regarding government-owned vehicles provided to employees.

Administrative Policy 1.3 establishes the reimbursement procedures for the use of privately owned vehicles and/or public transportation by City employees during the performance of official duties.

POLICY:

This policy applies to all employees and elected officials who have been duly authorized by the City Administrator or designee to use a City-owned vehicle for official business. The term "City-owned" vehicle as used in this policy shall also include vehicles leased by the City.

Any violation of this policy may result in the appropriate level of discipline in accordance with applicable disciplinary procedures.

A. Employee Transportation Policy

Employees requiring transportation to perform their official duties may be authorized to utilize the following types of transportation in accordance with the criteria set forth in this policy:

1. A City-owned vehicle permanently assigned to the department for use by a particular employee position. Overnight use of such vehicles must be approved annually in accordance with this policy.
2. A City-owned vehicle checked out from either the Public Works Department fleet pool or a departmental car on an "as needed" basis. Overnight use of such vehicles will require prior written approval by the City Administrator.
3. Privately-owned vehicles with reimbursement for associated expenses as specified in Administrative Policy 1.3.
4. Public transportation, such as bus or taxi, on an "as needed" basis with reimbursement for costs incurred by the employee, as specified in Administrative Policy 1.3.

5. Rental of vehicles may be authorized to meet specialized or emergency needs, with reimbursement available as specified in Administrative Policy 1.3.

B. Use of City-Owned Vehicles

1. City-owned vehicles shall only be used for official business, except for trips to/from the employee's home and City workplace when specifically authorized in conformance with this policy.
2. Minimal personal use (such as stopping for food while on City business), other than commuting, is permitted. The City may require and maintain any records relating to vehicle and fuel usage, which it deems necessary or appropriate to monitor and evaluate compliance with this Policy.
3. No employee may use the vehicle to commute to and from work without written authorization from the City Administrator. Should the City elect to provide a vehicle to an employee for that use, the decision shall be made for non-compensatory business reasons, based upon a finding that the City requires the employee to commute to and/or from work in the vehicle. Minimal personal use while commuting is permitted (such as a stop for a personal errand on the way between a business delivery and the employee's home).
4. Employees planning to use a City vehicle for out of state travel shall consult and obtain approval from the City Administrator prior to travel.
5. Any employee that is provided a vehicle allowance or use of a vehicle is required to promptly notify Human Resources Department if he or she, or any other individual, uses the vehicle for any personal purpose other than incidental personal use.
6. Each employee that is provided a City vehicle used to commute to and/or from work or for more than incidental personal use will then incur taxable income, which will be included in the employee's wages. Please refer to Administrative Policy 1.1 – Taxation on use of City-Owned Vehicle for Personal Use.
7. City-owned vehicles shall be operated only by City employees, elected or appointed officials, or by persons designated by City contract to operate such vehicles.
8. In addition to the employee assigned or permitted to drive a City vehicle, he or she may allow other authorized employees (as set forth in Paragraph 6 above), to operate the vehicle if they have a valid driver's license and are 25 years of age or older. Vehicles assigned to employees to be taken home shall not be operated by a driver other than the employee assigned for any use other than City business.
9. With the approval of the Department Head, employees assigned or permitted to drive a City vehicle may allow non-City passengers to drive in the vehicle if the purpose of the travel is for City business related matters.

10. No City-owned vehicle shall be driven to and kept at any employee's home or any location other than the regular work location, except as authorized by the City Administrator or designee.
11. Employees should report needed repairs to their Department Head and or the Lead Mechanic. Needed repairs would include, but not be limited to, lighting, servicing, licensing, etc.
12. Employees are expected to operate vehicles and/or equipment safely, lawfully, and courteously. It is the policy of the City to provide a safe working environment that protects our employees and members of the public from injury and property loss. The City is committed to safe responsible employee driving behavior that reduces the risk of personal injury and property loss.
13. Employees must maintain each vehicle in a clean and neat manner at all times and are expected to have vehicles washed at the City's designated car wash service.
14. Any person authorized to drive either personal or City-owned vehicles on official City business must possess a valid California motor vehicle driver's license for the class of vehicle to be operated. Should an employee's driver's license expire, be revoked, or suspended, the employee shall immediately notify his or her supervisor. At the time of the license invalidity, the employee's City vehicle-usage privileges will be suspended until the employee's driver's license has been fully restored and validated. Suspension, revocation, or cancellation of an employee's driver's license when a valid license is required for the employee's job classification may subject the employee to disciplinary action up to and including termination.
15. Each employee or designated person assigned or permitted to operate a City vehicle shall participate in vehicle safety and defensive driving training as may be required by the City of Vernon.

C. **Authorization for Assignment of City-Owned Vehicles**

City vehicles will not be authorized to individuals as compensation or as a condition of employment. Generally, employees should use their own vehicles when conducting City business and will be reimbursed for the use of such vehicle or will receive a monthly vehicle allowance. When a privately owned vehicle is not available or appropriate for City business use, a City-owned vehicle may be checked out of the departmental or City fleet pool, except that employees receiving a car allowance shall not use City pool vehicles except when written approval by the City Administrator has been received.

The authorization process for assignment of take-home City-owned vehicles includes the following:

1. Department Heads will complete and submit the "Take-Home Vehicle Assignment Authorization Request" form for approval by the City Administrator or designee. This request will be reviewed annually by July 1st by the Department Head and resubmitted to the City Administrator for approval. Department Heads are responsible for initiating the annual re-approval process. This request will be accompanied by an acknowledgement form signed by the employee acknowledging they have read and received this policy.

2. After obtaining approval from the City Administrator, the Department Head will forward the approved "Take-Home Vehicle Assignment Authorization Request" form to the City's Finance Department, Payroll Division. The Finance Department will be the primary repository for the approved "Take-Home Vehicle Assignment Authorization Request" forms. Except for police undercover vehicles, where for security purposes, all records for police undercover vehicles will be maintained in the Police Department following approval by the City Administrator or designee.
3. Department Heads are responsible for notifying the Finance Department in writing at least five days prior to the end of the pay period, if there are any changes to the status of an employee's assignment of a take-home vehicle.
4. If the assigned vehicle is non-exempt from IRS reporting requirements, the employee to whom it is assigned will incur the tax liability described in Policy 1.1 – Taxation on the Use of City-Owned Vehicles for Personal Use.
5. Once the City Administrator or designee has approved an on-call assignment, new requests are only necessary when changes in status (new employee, reassignment of duties, employee transfers, etc.) occur as part of the annual review.
6. Departments will be responsible for submitting the approved "Vehicle Take-Home Trip Log" forms for non-exempt City vehicles to the Finance Department, Payroll Division no later than five working days after the end of each month, so that fringe benefits withholdings can be applied to the employee's salary receiving the benefit.

D. **Authorization for Vehicle Allowance**

Any monthly vehicle allowance shall not exceed the rates set forth in the Fringe Benefit and Salary Resolution. A monthly car allowance as authorized by the City Administrator is based on the following conditions:

1. If the employee is regularly classified as executive or management, a car allowance may be authorized in an amount not to exceed the amount specified in the Fringe Benefit and Salary resolution. Executive or management employees who are on an unpaid leave of absence shall not be entitled to car allowance during such leave.
2. In deciding to recommend car allowances, the employee's Department Head shall consider how much the employee uses his/her personal vehicle for City business and the degree to which a car allowance is a part of employee benefits. Requests to consider automobile allowance are to be submitted to the City Administrator.
3. Each employee receiving a car allowance shall provide for the use of a passenger vehicle in good repair and appearance, and insured at least to the extent required by state law. (Suggested coverage is \$100,000 per person and \$300,000 per incident for personal injury and \$50,000 for property damage.)
4. Individuals authorized to receive the monthly automobile allowance must personally bear the expenses associated with the operation and maintenance of

their vehicles. The City will not provide gas, oil, mileage, service or repair of any kind to personal vehicles.

E. **Seat Belts**

All vehicles used for City business, both City-owned and privately owned, shall be equipped with seat belts, which conform to the requirements of State law. It shall be the responsibility of the driver operating a vehicle on City business to ensure that all occupants of that vehicle are wearing seat belts while the vehicle is in operation.

F. **Mobile Communication Device, Cell Phone, and Computer Use**

Safe driving practices, as well as the California Vehicle Code, require the use of a hands-free device when using a mobile communication device during the operation of a motor vehicle. Employees shall not operate laptop computers, navigational devices, or any other device that may cause vehicle operator distraction while operating a vehicle in the course of conducting City business. Exception: Sworn law enforcement officers may use a wireless telephone while operating an authorized emergency vehicle, in the course and scope of his or her duties.

G. **Smoking Prohibited in Vehicles**

Smoking is expressly prohibited in all City vehicles and/or equipment.

H. **Impaired Driving**

1. The driver must not operate a vehicle when his/her ability to do so is impaired or influenced by alcohol, illegal drugs or other illegal substances, prescribed or over-the-counter medication, or illness, fatigue or injury.
2. The employee driver is obligated to report to his/her supervisor any reason that may affect his/her ability to drive or operate a vehicle safely.

I. **Proof of Insurance**

Employee drivers must ensure that the vehicle's current insurance card is kept in the vehicle at all times.

J. **Accident Reporting**

1. Employees involved in any vehicle accident, regardless of the nature or severity, involving a City vehicle, shall, when possible, first check on the safety and welfare of all persons involved and seek immediate medical attention should it be required for themselves or others. If safe under the circumstances, move the vehicle to a location out of the way of traffic.
2. Drivers shall always have a law enforcement officer investigate any accident that involves a City vehicle. This will help ensure that City of Vernon is protected from unwarranted claims. Do not discuss fault with, or sign anything from anyone except for a police officer, a representative from the City's Finance or City Attorney's Office, or an authorized representative from the City.
3. Drivers shall notify their supervisor immediately of the accident and complete the Vehicle Accident Report. Making false statements on vehicle accident reports is strictly prohibited and could result in disciplinary and/or legal action.

4. Drivers shall cooperate fully with the City's Finance Department and/or City Attorney's Office in the handling of the claim.

K. Traffic Violations

1. All citations, fines, or other criminal penalties while operating a City vehicle or personal vehicle on City business are the personal responsibility of the driver. These costs are not reimbursable by the City of Vernon and must be paid promptly by the driver.
2. Any City employee who receives a traffic citation while operating a City vehicle or personal vehicle while on City business shall immediately report same incident to his/her supervisor.
3. Intentional abuse, moving violations, reckless operation, or negligent actions while operating any City vehicle or personal vehicle while on City business may result in the suspension of employee driving privileges, and/or further disciplinary action.