

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

218



FROM: Executive Office

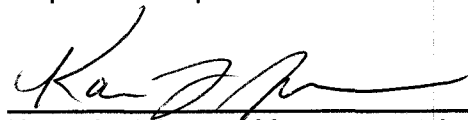
SUBMITTAL DATE:
November 24, 2009

SUBJECT: Amendment to Board Policy D-2 – Use and Purchase of County Vehicles

RECOMMENDED MOTION: That the Board of Supervisors approve revisions to Board of Supervisors Policy Manual Item D-2

BACKGROUND: On July 14, 2009, the Auditor Controller submitted Internal Auditor's Report #2008-017 – *County of Riverside Vehicle Fleet* to the Board of Supervisors. The audit identified significant weaknesses in the internal controls over vehicle fleet costs and utilization. The audit also revealed possible inefficient and inappropriate use of county vehicles and related resources.

In a first step toward addressing the issues identified by the audit report, Board Policy D-10, *Overnight Retention of County Vehicles* was amended to improve controls over the overnight retention of vehicles. In a continued effort to improve controls over the use of county vehicles, the Executive Office is proposing significant content changes to Board Policy D-2 that will promote efficient use of county resources by clarifying the County of Riverside Fleet Services' role in establishing an effective fleet management program. It also reestablishes that appointed and elected department heads have the primary responsibility for the monitoring, oversight, and enforcement of Board Policy D-2 within their respective departments.


Karen L. Johnson, Management Analyst

**FINANCIAL
DATA**

Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

SOURCE OF FUNDS: N/A

Positions To Be Deleted Per A-30	☐
Requires 4/5 Vote	☐

C.E.O. RECOMMENDATION:

APPROVE

BY: 
Gary M. Christmas

County Executive Office Signature

Consent ☐ Policy ☒
Consent ☐ Policy ☒

Dep't Recomm.:

Per Exec. Ofc.:

Prev. Agn. Ref.: 7/14/09, #2.8

District: All

Agenda Number:

3.8

Amendment of Board Policy D-2, continued

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The most significant changes to the policy are as follows:

- County of Riverside Fleet Services will compile a Vehicle Utilization Report and distribute it to county departments on a quarterly basis. Departments must take steps to correct the underutilization of vehicles and address the recommendation to retire a vehicle(s) within 60 days of the report. Special circumstances will be evaluated by Fleet Services on a case-by-case basis.
- Fleet Services will prepare a quarterly Vehicle Retirement Report that will include a list of vehicles that fleet services has recommended for retirement and a list of vehicles that were retired during the quarter. This report should be submitted to the Board of Supervisors on a quarterly basis with the vehicle update report.
- Fleet Services will prepare an annual Vehicle Utilization Report to distribute to Analysts within the Executive Office. This report will be a valuable resource during the review of department budget proposals and fixed asset requests.
- County policies regarding the use of county vehicles for commuting were clarified.
- County policies regarding the use of county vehicles versus private vehicles were clarified.
- County policies regarding the non-routine, non-emergency overnight use of county vehicles were clarified.
- County employees assigned regular use of a vehicle must record total business and personal (including commute) mileage and report personal use totals to their respective department payroll representative bi-weekly for inclusion, where appropriate, in the employee's taxable income computation.

The revised policy addresses the concerns outlined in the Auditor Controller's report and should be implemented immediately.

COUNTY OF RIVERSIDE, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject:
USE AND PURCHASE OF COUNTY VEHICLES

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Purpose:

The purpose of this policy is to define the responsibilities and rules for the purchase and use of county vehicles in the conduct of county business. This policy is applicable to all vehicles owned or leased by the county and its departments, agencies, or special districts. Additional policies regarding the overnight retention of vehicles are outlined in Board of Supervisors' Policy D-10, *Overnight Retention of County Vehicles*.

Policy:

County vehicles are valuable resources that enable county business to be carried out in accordance with county-wide principles and standards. It is the policy of the Board of Supervisors to provide, equip and maintain essential, safe, and presentable transportation equipment for the use of county officers, county employees, and authorized county volunteers. It is also the policy of the Board to encourage the use of low or zero emissions vehicles in order to improve air quality in the county and meet local and federal air quality regulations. Personal use of county vehicles by authorized employees or persons is prohibited unless for commuting, as authorized in this policy, or de minimis personal errands, as defined by Internal Revenue Service regulations.

While elected and appointed department heads have the primary responsibility for the monitoring, oversight, and enforcement of this policy within their respective departments, the County of Riverside Fleet Services Director will be responsible for establishing an effective fleet management program including, but not limited to:

- Vehicle utilization standards for every vehicle classification.
- Guidelines for the best use of private vehicles, motor pool rentals, and leased vehicles.
- Procedures that will help ensure departments are notified of inefficient use of county vehicles on a regular basis.
- Policies and procedures that will promote the operation of vehicles in a manner consistent with all applicable local, state, and federal laws.
- Policies and procedures that will protect the county's interest in its equipment and provide safe transportation for employees and clients.
- Policies and procedures that will ensure vehicle utilization records are accurate. Procedures will include the requirement that departments maintain adequate vehicle mileage logs and detailed records of employee vehicle use.
- Policies and procedures that will ensure Fleet Services is the single point of control for all vehicles owned or leased by the county and its departments, agencies, or special districts regardless of funding source. Fleet Services should hold title to and control all vehicles unless specifically exempted by the Board of Supervisors.

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- Policies and procedures that will ensure the County of Riverside Purchasing Department issues and manages all county credit cards used to purchase fuel. These policies and procedures shall be consistent with Board of Supervisors' Policy A-62, *Credit Card Use*.

The following shall apply for the use and purchase of all county vehicles:

General Vehicle Use:

County owned vehicles shall be driven only by appropriately licensed and authorized employees or persons. No unauthorized persons will be permitted to operate a county vehicle. Authorized employees or persons are required to drive a hybrid or low or zero emissions vehicle when available.

Authorized drivers should use county vehicles to conduct county business when county vehicles are available. Reimbursement for use of a privately owned vehicle shall be permitted only when a county owned vehicle is not available, use of a county vehicle is not economical, or upon order of the Board of Supervisors. Factors to be considered when deciding between the use of a county vehicle versus the use of a personal vehicle include:

- Availability of a county vehicle,
- Cost of a county vehicle versus mileage reimbursement,
- Appropriateness of the vehicle for the required use, and
- Economical use of employee time and operational efficiency.

All factors should be considered and the option that is most beneficial to the county as a whole should be selected. Please refer to Board Policy D-10, *Overnight Retention of County Vehicles* when considering the routine overnight use of a county vehicle for official county business.

Commuting

As a condition of employment, county employees are responsible for arranging their own transportation to their regular assigned job sites at county facilities by the appointed start time, regardless of how remote or distant from their home, or the travel time required. Using a county vehicle for commuting purpose is a taxable benefit to an employee.

County vehicles may not be used for commuting purposes unless it has been negotiated as part of a Board of Supervisors' approved executive compensation package, as part of the Rideshare program managed by the County of Riverside Human Resources, or is an inevitable consequence of the performance job duties as described in Board Policy D-10, *Overnight Retention of County Vehicles*. Failure to comply with this policy will result in the reporting of the fair market value of the

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use of the vehicle as taxable income to the employee. It will be the responsibility of the employee to meet Internal Revenue Service requirements for substantiating any deductions for business use (*Title 26, Chapter 1, Part 1 of the Code of Federal Regulations*).

Non-Routine Overnight Use of County Vehicles

Under limited circumstances, non-routine overnight use of a county vehicle may be in the best interest of the county. These circumstances would involve the conduct of county business. For example, a multi-day annual training event at a distant location for multiple personnel may warrant use of a county vehicle overnight to reduce county travel costs.

For these limited circumstances, departments **must** utilize the County of Riverside Fleet Services' motor pool. Under no circumstances may a county vehicle be retained overnight exclusively for the convenience or benefit of a county employee unless it has been negotiated as part of a Board of Supervisors' approved executive compensation package.

Recordkeeping

Each department/agency head will be responsible for establishing a method for tracking county vehicle use within their respective departments/agencies and maintaining the appropriate records. Mileage records must be maintained for **all** county vehicles. Records shall include the name of employee utilizing a vehicle, the date(s) the vehicle was utilized by the employee, the purpose of the trip, and the starting and ending mileage of the vehicle. Records shall be maintained for at least three years. All documentation is subject to audit and/or review. Departments/agencies are responsible for ensuring documentation for its vehicles are maintained to comply with the provisions of this policy.

Vehicle Purchase:

County departments, agencies, and special districts that would like to purchase vehicles must submit a vehicle request form (see attached) to the County of Riverside Fleet Services. County departments, agencies, and special districts shall purchase hybrid models or other fuel efficient models that are estimated by the Environment Protection Agency (EPA) to achieve a minimum average fuel economy of 25 miles per gallon.* Vehicle requests that preclude the use of vehicles that meet this standard must include adequate justification for deviating from the county standard.

The vehicle purchase guidelines of this policy will not apply to public safety vehicles such as, but not limited to: patrol, fire and emergency services.

* Medium or Heavy Duty Vehicles are excluded from this requirement. Please consult with Fleet Services for more information.

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County of Riverside Fleet Services Reports:

Fleet Services has the ability to compile reports about vehicle utilization. These reports can be useful tools for managing the use and purchase of county vehicles. Fleet Services should provide the following reports on a periodic basis:

Monthly Vehicle Utilization Report

Fleet Services shall prepare a *Vehicle Utilization Report* on a monthly basis. The report should be distributed to all departments that utilized vehicles during the previous month and should include statistics about mileage, fuel, and the overall utilization of vehicles. The report will also clearly identify vehicles that are being underutilized and those that Fleet Services recommends the department retire. Departments must take steps to correct the underutilization of vehicles and address the recommendation to retire a vehicle(s) within 60 days of the report. Fleet Services will evaluate special circumstances on a case-by-case basis and determine if the department is exempt from taking corrective action. These exemptions will be clearly documented and available for review upon request.

As a part of the annual budget process, Fleet Services will also prepare an annual Vehicle Utilization Report to distribute to analysts within the Executive Office. This report will be a valuable resource during the review of department budget proposals and fixed asset requests.

Quarterly Vehicle Retirement Report

Fleet Services shall prepare a *Vehicle Retirement Report* on a quarterly basis. The report shall include a list of vehicles that Fleet Services has recommended departments retire and a list of vehicles that were retired during the quarter. This report should be submitted to the Board of Supervisors as an attachment to the quarterly budget report.

Annual Fuel Efficiency Standards Report

Fleet Services will prepare a written status report to the Board of Supervisors annually including recommendations for increasing fuel efficiency standards.

Reference:

Minute Order 01/28/75
Minute Order 3.1 of 12/22/98
Minute Order 3.3 of 04/10/07
Minute Order 3.30 of 11/25/08

Attachments to Follow: Vehicle Purchases Request Form

VEHICLE PURCHASE REQUEST FORM

(Board of Supervisors Policy D-2)

*Similar vehicle types may be grouped on one form.
Use separate forms for each vehicle type (i.e., cars, trucks, forklifts, loaders).*

1) Requested Vehicle:

Model: _____ Make: _____

Quantity: _____ Estimated Unity Cost: _____

Fuel Type (Check one)

☐ Hybrid

☐ LNG

☐ Gasoline

☐ Electric

☐ Diesel

☐ Propane

☐ CNG

☐ Other

If the purchase is for a gasoline or diesel powered vehicle, answer questions

2) Provide a brief explanation of the unique circumstances which make purchase of a gasoline or diesel powered vehicle more suitable in this particular instance:

For use by the Fleet Services

Review Date: _____

☐ Approve

☐ Denied

If denied. Alternative vehicle recommendation:

