

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

663



**FROM:** Executive Office

**SUBMITTAL DATE:**  
July 7, 2010

**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. 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.

*Serena Chow*  
Serena Chow, Senior Management Analyst

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

Departmental Concurrence

<b>FINANCIAL DATA</b>	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

<b>SOURCE OF FUNDS:</b> N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

BY: *Dean Deines*  
Dean Deines

**County Executive Office Signature**

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Buster, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley  
Nays: None  
Absent: Tavaglione  
Date: July 27, 2010  
xc: EO, All Dept's., COB

Kecia Harper-Ihem  
Clerk of the Board  
By: *[Signature]*  
Deputy

Dept't Recomm.:  Policy  Policy  
Consent  Consent  Consent  
Per Exec. Ofc.:

**Amendment of Board Policy D-2, continued**  
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The most significant changes to the policy are as follows:

- Mileage records must be kept for the use of any county vehicle. County business and personal use mileage (including commuting) must be tracked and the records maintained.
- Department heads are responsible for ensuring that an accurate report of personal use of vehicles, as defined by IRS regulations, is reported to the Auditor-Controller's Office on a regular basis. The procedures for submitting this information shall be coordinated with the Auditor-Controller's office.
- County policies regarding the use of county vehicles for commuting were clarified.
- Riverside County Fleet Services' role and responsibilities in establishing an effective fleet management program were outlined:
  - 1) In the ongoing efforts to manage the county fleet size, Riverside County Fleet Services will compile a Vehicle Utilization Report and distribute it to county departments on a quarterly basis. Departments will take steps to correct the underutilization of vehicles and address the recommendation to retire a vehicle(s) within 60 days of the report.
  - 2) Fleet Services will prepare a quarterly Vehicle Retirement Report consisting of vehicles retired. A summary of this report will be submitted to the Board of Supervisors in conjunction with the quarterly budget report.
  - 3) Fleet Services will prepare an annual Vehicle Utilization Report to distribute to Analysts within the Executive Office to assist in the review of department budget proposals and fixed asset requests.
  - 4) Fleet Services will hold title to and control all vehicles purchased

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 to conduct county business. 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 personal de minimus use, pursuant to the Internal Revenue Service Code and its implementing regulations.

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

**1. Vehicle Use:**

***A. General Requirements***

County owned vehicles shall be driven only by appropriately licensed and authorized employees or persons. Unauthorized persons shall not be permitted to operate a county vehicle. Authorized employees or persons are required to drive a hybrid or low or zero emissions county 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*

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*County Vehicles* when considering the routine overnight use of a county vehicle for official county business.

***B. 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 travel from home to a county work place or from a county work place to home is defined as commuting and is a taxable benefit to an employee. County vehicles may not be used for commuting purposes unless approved within the Board of Supervisors' management resolution regarding salaries and related matters, as part of the Rideshare program managed by the County of Riverside Human Resources Department, or as described in Board Policy D-10, *Overnight Retention of County Vehicles*.

Commuting is authorized for Sheriff's K-9 "black and white" patrol vehicles used only by qualified law enforcement canine handlers who are immediate responders to emergency public safety situations and who are charged with the care of the canine after regular working hours.

***C. 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 should utilize the County of Riverside Fleet Services' motor pool whenever cost effective. Under no circumstances may a county vehicle be retained overnight exclusively for the convenience or benefit of a county employee unless approved within the Board of Supervisors' management resolution regarding salaries and related matters.

***D. Recordkeeping***

Each department/agency head will be responsible for establishing a method for tracking county vehicle use within the respective department/agency and maintaining the appropriate records. Mileage records must be maintained for **all** county vehicles. Records shall include the name of employee utilizing a county vehicle, the date(s) the

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vehicle was utilized by the employee, the purpose of the trip, and the starting and ending mileage of the personal and business use of the vehicle.

It will be the responsibility of the employee to satisfy Internal Revenue Service requirements for substantiating any deductions for the business use of county vehicles. Without records detailing the business use of county vehicles by the employee, such use may be taxable in full to that employee.

Department heads are responsible for ensuring that an accurate report of personal use of vehicles, as defined by IRS regulations, is reported to the Auditor-Controller's Office on a regular basis. The procedures for submitting this information shall be coordinated with the Auditor-Controller's office. Records shall be maintained pursuant to Board of Supervisors' Policy A-43, *County Records Management and Archives Policy*. 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. Failure to maintain mileage records for county vehicle use will result in the reporting of the fair market value of the use of the vehicle as taxable income to the employee.

**2. 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 vehicles 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.

For all vehicles purchased after the effective date of this policy, Fleet Services shall hold title to and control all vehicles purchased after the effective date of this policy unless specifically exempted by the Board of Supervisors. Existing non-fleet county vehicles owned by a county department shall remain under the department until such time that the vehicle is replaced.

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

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

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**3. 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:

***A. 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.

***B. 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. A summary of this report will be submitted to the Board of Supervisors as part of the quarterly budget report.

***C. 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.

**4. County of Riverside Fleet Management:**

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.

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- 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 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. This includes the provision that Fleet Services provides all service repairs, maintenance and warranty tracking in order to provide centralized vehicle service records and improved monitoring of repair and maintenance costs\*\*.
- 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*.
- Maintaining all records pertaining to the vehicle acquisition, mileage, service and repairs. Records shall be maintained pursuant to Board of Supervisors' Policy A-43, *County Records Management and Archives Policy*. All documentation is subject to audit and/or review pursuant to county, state, or federal regulations.

\*\* Heavy trucks and fire engines are excluded from this requirement. Please consult with Fleet Services for more information.

**Reference:**

Minute Order 01/28/75

Minute Order 3.1 of 12/22/98

Minute Order 3.3 of 04/10/07

**VEHICLE PURCHASE REQUEST FORM**  
(Board of Supervisors Policy D-2)

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*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

Gasoline

Diesel

CNG

LNG

Electric

Propane

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:

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For use by the Fleet Services

Review Date: \_\_\_\_\_

Approve

Denied

*If denied. Alternative vehicle recommendation:*

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