

POLICY MEMORANDUM

SUBJECT: Rules, Regulations and Procedures Governing the Use and Assignment of Motor Vehicles, Purchase, Operation and Disposal of Motor Vehicles and Associated Record-keeping	Revision No: 9 POLICY NO.: 10
ISSUED BY: Office of Planning And Budget Department of Administrative Services	EFFECTIVE DATE: 1-1-2019

1-A. Legislative Authority

The Budget Act (Official Code of Georgia Annotated [O.C.G.A.] Section 45-12-73 et. seq.) authorizes the Office of Planning and Budget (OPB) to develop financial plans for the State, to coordinate the fiscal affairs of the State, to see that the financial resources of the State are used most efficiently, to promulgate rules and regulations governing the acquisition, utilization, maintenance, repair and replacement of the State's motor vehicles. O.C.G.A. Chapter 50-19 provides for the marking of State vehicles. The Department of Administrative Services (DOAS), through the Office of Fleet Management (OFM), will work with and under the direction of the Office of Planning and Budget to carry out this policy.

1-B. Policy

This policy is to provide the framework and procedures to be followed by state agencies (for the purposes of this doctrine, "agency" or "agencies" shall include all state departments, institutions, boards, bureaus, agencies, commissions, authorities, colleges, and universities) regarding the use, assignment and management of State owned or leased vehicles, and to clearly state how motor vehicles shall be used for the official business interests of the State, not the personal interests of employees. It is the responsibility of each agency head to ensure that the provisions of this policy are strictly enforced in a manner to ensure that state vehicles are operated and managed in an effective, efficient and responsible manner. It is further the responsibility of agency personnel to be sensitive to their responsibility to avoid even the slightest misuse of vehicles thereby upholding public trust that good stewardship and cost saving measures are the rule, rather than the exception. Where they occur, violations should be dealt with promptly.

(Note: O.C.G.A. 35-2-73 expresses very clear and specific statutory intent of the General Assembly regarding transportation and security procedures to be provided for the Governor, Lt. Governor and Speaker of the House of Representatives. For purposes of this motor vehicle policy, these three positions are exempt from its provisions.)

2. General Provisions

The intent of this policy is to provide guidelines for the cost effective management and operation of the State's motor vehicles used by agencies in accomplishing their legally authorized missions. Agencies are required to purchase, operate, use, maintain, service, repair and fuel all motor vehicles in accordance with statewide contracts established by DOAS. DOAS is authorized to exempt certain state departments, institutions, boards, bureaus, agencies, or organizational units thereof from the mandatory use of such statewide contracts after determining that such exemption would be in the best economical or operational interests of the State.

2.1 Use of Policy Memorandum with Georgia Fleet Management Manual

It is intended that this policy memorandum will be used in conjunction with the Georgia Fleet Management Manual issued by DOAS' Office of Fleet Management. This manual provides detailed guidelines for the sound and efficient management of motor vehicle fleets and establishes procedures where appropriate for the policies enumerated in this policy memorandum.

2.2 Covered Type of Vehicles and Exclusions

With exceptions noted in Paragraph 1-B on Page 1, this policy memorandum applies to all motor vehicles either owned, rented, borrowed, leased, donated or otherwise under the possession and control of State departments, institutions, boards, bureaus, agencies, commissions, authorities, colleges and universities (all are which hereinafter referred to collectively as agency or agencies). Motor vehicles are defined as any vehicle that is or is capable of being tagged and titled in the state of Georgia and driven on highways or streets, including motorcycles.

State vehicles and state fuel cards are not to be used in the course of secondary employment unless expressly permitted by state law.

2.3 Exemptions from Policy Memorandum

Requests for exemptions from any of the provisions of this policy memorandum may be submitted for approval by agency managers to the Agency Head who will in turn submit the request, as appropriate, to the Office of Planning and Budget for review. Approval will be based upon a joint decision between OPB and DOAS. Exemptions should be submitted to OPB and DOAS/OFM on the form in Appendix C OPB Policy 10 Exemption Request Form.

2.4 Agency Fleet Coordinator

Each State agency will designate a motor vehicle coordinator. In this capacity, the coordinator will be responsible for coordinating, under the approval and review of the agency head, all motor vehicle activities outlined in this policy memorandum.

Section I – Vehicle Assignments

3. Individual Assignment of Vehicles

3.1 All assignments will be documented using the MV-1 form located in the Fleet Management Database maintained by OFM. This form must be completed as specified in Section 4 of this policy memorandum.

3.2 For the purposes of this policy memorandum, "assignment" means that an employee has exclusive control over a vehicle's use during the workday or is the only employee who routinely drives the vehicle.

The following conditions must be met in order for a state employee to qualify for the assignment of a vehicle:

- AV1 - State employees who annually drive more than 14,000 State business miles in order to routinely conduct State business, as determined by the respective agency head. For each year an employee is assigned a vehicle (including any replacement vehicles), the employee must drive at least 14,000 State business miles to justify an assigned vehicle. If, after any one year of assignment, an employee assigned a vehicle fails to drive 14,000 State business miles, and the employee fails to drive 3,500 State business miles the following quarter, the agency shall revoke the vehicle's assignment to the employee. The vehicle will then be re-designated as a pool vehicle or surplus in accordance with DOAS guidelines. Employees assigned a vehicle are **not** automatically eligible to drive the vehicle to and from their residences. Please see Section 3.3 below for criteria for overnight assignment.
 - If the total State business miles driven by an employee assigned a vehicle (including any replacement vehicles) fails to exceed 14,000 State business miles in a year, for the employee to continue being assigned a vehicle, the vehicle must:

- AV2 - Have special equipment or be used to transport equipment which is too large or heavy or has special features which make it impractical to be transferred between vehicles or between a vehicle and a fixed location, for example special scientific testing equipment required for EPD Emergency Response employees; or
- AV3 - Be required to be driven in sites or under conditions that would endanger privately owned vehicles, for example DFCS workers in dangerous neighborhoods.
- AV4 - Be used by employees whose positions require them to perform duties of Sworn POST-certified/registered law enforcement officers **AND** having vehicles specially equipped for law enforcement purposes is essential for the employee to carry out their job functions.

The minimum number of miles specified in this section (3.2) refers solely to those miles driven exclusively for conducting State business. Miles driven between employees' residences and their workstations are NOT State business miles, but rather, are considered official commuting miles (as defined by the Internal Revenue Code). Further, the minimum number of miles specified in this section (3.2) refer to those miles incurred through the most effective and efficient use of vehicles for legitimate State business. For example, having several individuals in a work unit drive their state vehicles to an official function at the same time and place instead of sharing rides, particularly if the use of multiple vehicles is for the purpose of meeting the minimum qualifying mileage specified herein, is expressly prohibited.

3.3 Authorization for Vehicles to Be Driven Home Overnight on a Daily Basis

3.3.1 Agency heads must certify that individuals meet the requirements of this section by signing and submitting the MV-1 form discussed in Section 4.1 of this document. Employees are authorized to drive State vehicles to and from their residences if otherwise eligible to be assigned a vehicle based on previous provisions listed above and if one of the following conditions apply:

- OV1 - An employee whose position requires him or her to perform the duties of a Sworn POST-certified/registered law enforcement officer, and the vehicle assigned to the employee is specially equipped

for law enforcement purposes and having the vehicle is essential for the employee to carry out their job functions.

- OV2 - An employee travels to different work sites as part of routine duties.
- OV3 - There is no overnight security at the employee's work site where there is evidence of vandalism, and security cannot be obtained for modest cost nearby.
- OV4 - An employee is required to be on-call for work assignment. An individual who is first to arrive on the scene in an emergency situation should be designated as having an on-call assignment. When appropriate, agencies should establish a "designated first responder", thus limiting the number of individuals who are "on-call". An employee who is on-call after normal work hours is authorized to drive a pooled or assigned vehicle home only if the employee does not anticipate reporting to his normal worksite when called to duty and if the vehicle meets one of the criteria listed below.
 - Has special equipment other than a radio or cellular telephone, is used to transport equipment which is too large or heavy, or has special features which make it impractical to be transferred between vehicles or between a vehicle and a fixed location; or
 - A vehicle is for emergency use or is specially equipped and used for a related mission - such as a law enforcement vehicle or an environmental protection hazardous materials cleanup vehicle - and the vehicle is rarely driven to a central work site from employee's home; or
 - Is required to be driven in sites or under conditions that would endanger a privately-owned vehicle.

On-call staff must maintain documentation of the number of times they are called to a scene on a month-to-month basis. Only those individuals who have 12 call-outs per year will be authorized for a vehicle assignment. This information must be documented in the Fleet Management Database maintained by OFM.

3.3.2 Agency Pool Vehicles

There will be no agency pool cars on Capitol Hill. Agencies will not establish pool vehicles located on the Capitol Hill site. The Capitol

Hill site is defined by a geographic area generally bounded by Interstate 20 on the South, Washington Street and/or Central Ave on the West, the CSX railroad tracks and/or Decatur Street on the North, and Interstate 75/85 (Downtown Connector) and/or Martin Street and Terry Street on the East. Also included in the Capitol Hill Site is the office building at Two Peachtree Street. Please see Appendix B for a map outlining the area.

Employees working within the Capitol Hill area should utilize the statewide vehicle rental agreement and rent vehicles for their trips.

Agencies outside the Capitol Hill geographical area may maintain pool vehicles for their employees' use, and may allow an employee who uses a **pooled** vehicle to drive the vehicle home after work hours if:

- The employee must travel directly to a remote site (of sufficient distance for the employee to be on travel status) from his or her home the following morning; or
- The employee will suffer great inconvenience by having to drop a vehicle off at his or her office at the end of a workday during which the employee has used the vehicle in an authorized manner.

See Section 4.2 of this policy for Accounting for Commuting Use of Vehicles for Federal Reporting for those miles driven that are non-business use miles.

4. Record-Keeping Requirements

4.1 Documentation of Vehicle Assignments

The justification for each vehicle assignment must be documented and approved by OPB using the online MV-1 Form in the Fleet Management Database. Each MV-1 form must be electronically signed by the agency head. Justification for an employee to drive a vehicle home on a routine basis must also be documented on this form. It is the responsibility of each agency to keep these records current (within 30 days of a change). Changes in status requires the closing of the current MV-1 and the creation of a new MV-1 form.

4.2 Accounting for Commuting Use of Vehicles for Federal Reporting

This section applies only to those employees who have been pre-approved to drive their agency assigned vehicle to and from work and their residence on a regular basis.

Employees who drive state vehicles to and from their residences are considered by the Internal Revenue Code to have derived gross income from such use of their vehicles. The Internal Revenue Code permits most employees to value commuting use at \$1.50 per one-way trip. The Code requires that such income be reported with other gross income on individuals' income tax returns, and that taxes and FICA be paid on such income. However, certain employees may meet the Internal Revenue Code definition for "control employees." If an employee is defined as a control employee, certain exceptions apply when accounting for commuting use. Please refer to the Internal Revenue Code for clarification (Publication 15-8, *Employer's Tax Guide to Fringe Benefits*). In cases where agencies are uncertain if an employee falls under the "control employee" definition, or think they are exempt from this provision, agencies should request confirmation in writing from the Department of Law.

The Internal Revenue Code also requires that employees report the number of commuting trips they make to their employers, that the employers withhold associated taxes and FICA, that the employers report such income and withholdings on individual employees' W-2 forms, and that the employers remit all withholdings and the employers' share of any owed FICA to the Internal Revenue Service.

These issues are addressed in more detail in memoranda issued by the Department of Law. Generally, trips between one's home and office are commuting. Exceptions are limited to those employees maintaining their principle offices in their homes and for sworn law enforcement officers going officially on patrol when they leave their homes.

At the end of each calendar year, agencies should adjust their employer shares of FICA payments based on employees reported actual commuting trips. Similarly, employees should report their actual number of commuting trips on their tax forms and either remit additional payments or claim refunds accordingly. As previously stated, agencies which feel that their employees are exempt from this federal requirement should request confirmation in writing from the Department of Law.

4.3 DOAS Records Repository

DOAS maintains an electronic centralized repository containing information on the purchase, assignment, operation, use, maintenance, service, repair, fueling and final disposal of all motor vehicles operated by agencies

covered by this policy memorandum for use in managing the State's use of motor vehicles. All state agencies shall provide all information required to maintain such a centralized repository in a format to be determined by DOAS. All state agencies will provide data in the format needed to be consistent with the centralized repository.

In order to facilitate the gathering of maintenance data and insure proper maintenance of our older vehicles, all light duty (under 9,000 lbs. gross vehicle weight-rating) passenger vehicles 10 years or older and/or having 135,000 miles must be enrolled in the maintenance program overseen by the Office of Fleet Management.

In addition to electronic documentation held by DOAS, agencies shall maintain a file which will identify every vehicle it owns to include: registration, emission control inspection, maintenance records, physical location of the vehicle and other legal documentation. Agencies have the option of keeping this information in a file either at a central site or at the operating units. DOAS will make every effort to minimize duplication between records held in the central repository, agency files, and automated databases.

If the vehicle has initial approval for any exceptions to the marking and tagging provisions of this policy memorandum (Section 6) approved by DOAS, the agency must forward yearly justification for the exceptions.

Agencies are required to identify all State business miles driven and all personal miles driven; identify all incidents of commuting use; identify relevant costs associated with vehicle maintenance and operations, and otherwise comply with all provisions of this policy memorandum.

Section II – Purchase, Operation and Disposal

5. Acquisition of Motor Vehicles

All state departments, institutions, boards, bureaus, agencies, commissions, authorities, colleges and universities are required to purchase motor vehicles (excluding off road vehicles and highly specialized vehicles) that strictly comply with standard specifications. Specifications for motor vehicles are established by DOAS in concert with State agencies to meet their operational requirements. OPB, with input from DOAS, will establish a standard anticipated service period for all types of passenger carrying vehicles. This service period will ensure the State obtains the best value considering a balance of maximum duration for use of the vehicle while obtaining maximum proceeds from the sale, trade, transfer or other disposition of the vehicle.

Donated vehicles, both new and used, are subject to the same processes and must follow Appendix A "Vehicle Acquisition Matrix"

5.1 Justifying Funds Requested for Motor Vehicles

Funds for motor vehicles will continue to be budgeted in each agency's budget as Motor Vehicle Purchases or other appropriate object class. In preparing their budget requests, agencies shall justify each vehicle requested, whether new (addition to the fleet) or replacement vehicle.

5.1.1 Additional Vehicle Requests

For each new vehicle requested, agencies shall demonstrate the following:

- All active agency vehicles are being used as originally presented for budget justification;
- The new vehicles are for additional staff or new program/unit;
- The new vehicles will be utilized a minimum of 14,000 miles per year for State business; and,
- All active agency vehicles will have current fuel and maintenance recorded in the Fleet Management Database.

5.1.2 Replacement Vehicle Requests

For each replacement vehicle requested, agencies shall demonstrate the following:

- The vehicle was destroyed or,
- The vehicle meets the replacement criteria established each budget cycle as determined by OPB, with input provided by DOAS. Criteria will be based upon comparison with other similar type vehicles:
 - Operating Service Months (Age)
 - Life-to-Date Miles
 - Average Operating Cost (less fuel)
 - Residual values at sale
 - Operating Environment. And,
- The replacement vehicle will be "like kind". If not, written justification outlining the need to meet new operating requirements must be submitted to DOAS OFM for approval.

- All current agency vehicles are being used as originally presented for budget justification.
- If requesting a used vehicle, the provisions in Appendix A “Vehicle Acquisition Matrix” must be met in order to acquire the used vehicle.
- No current vehicles are available to replace any worn out vehicle; or be reassigned to meet new operating requirements.
 - All active agency vehicles will have current fuel and maintenance recorded in the Fleet Management Database at the time of the request.

5.2 Vehicles Authorized for Acquisition

5.2.1 Alternative Fuel Vehicle Program

In consideration of Federal, State and Local regulations relating to the Energy Policy Act of 1992, all efforts will be made to ensure approximately 75% of new eligible vehicles purchased by State agencies are alternative fuel capable. Alternative Fuel Vehicles will be made available through the State Purchasing Division’s vehicle contracts. Vehicle models identified for purchase and use in non-attainment areas that are not recognized alternative fuels capable will require justification and approval by DOAS OFM prior to purchase.

5.2.2 Motor Vehicles Authorized for Acquisition - Sedans

Agencies are encouraged, but not required, to acquire subcompact and compact automobiles wherever possible. If subcompact or compact automobiles for specific jobs are too small to satisfy the operating needs of those jobs, an agency is authorized to obtain mid-sized automobiles. Mid-sized cars are those typically defined as such by rental car companies. These cars are usually four-door, can accommodate up to four persons comfortably (with a maximum of five persons), and hold up to four pieces of luggage. Agencies have full discretion on the size of automobiles that they may obtain, up to and including mid-sized automobiles, based on their own assessments of their individual needs. Agencies are required to maintain documentation of the assessment and make the information available for inspection upon request. Agencies must obtain authorization from DOAS OFM to acquire any automobile larger than a mid-sized automobile or an automobile with options not included in the equipment shown on the State contract specification. The makes and models of the automobiles with the established options shall be placed on statewide contract by the DOAS State Purchasing Division through its established bidding procedure.

5.2.3 Acquiring Vehicles Other Than Sedans

As noted previously, agencies shall acquire the most economical vehicles to purchase and operate which are suitable for the purposes for which they are obtained. The makes and models of all other vehicle types with the established options shall be placed on statewide contract by the DOAS State Purchasing Division through its established bidding procedure. Within this framework, agencies have full discretion as to which types and sizes of vehicles other than automobiles they shall acquire for various applications.

5.3 Ordering Vehicles

All vehicles must be ordered through DOAS. Prior to ordering any vehicles, agencies must submit the associated procurement documentation to DOAS OFM for certification that the size and optional equipment restrictions of this policy memorandum are being complied with. No vehicle may be ordered without the signature of the appropriate DOAS official on the procurement documentation. Additionally, agencies that are replacing vehicles are required to provide information on the vehicle(s) to be replaced, including type of vehicle, unique agency vehicle number, VIN, age, mileage, general operating condition, and other information as deemed necessary. DOAS will establish vehicle order cutoff dates consistent with the vehicle manufacturers' guidelines. Any orders received within 15 days of a cutoff or the end of a Fiscal Year will be deferred, and funds will be encumbered through the first quarter of the subsequent fiscal year through a purchase order. Any dollar amount of the new statewide contract price over and above the amount of the purchase order will come out of the then current fiscal year budget. NOTE: Purchase orders will only remain valid if the same vendor is on the statewide contract in the next fiscal year. Emergency requirements, which justify orders after the cutoff date (e.g., replacement of a totaled vehicle) or changes in the vendor(s) awarded the statewide contract, will be considered on a case-by-case basis. Vehicles will not be purchased off-contract from dealer stock without the written approval of DOAS State Purchasing Division.

5.4 Purchasing Used or Demo Vehicles

Unless granted specific authority by DOAS OFM, all automobiles purchased by agencies must be new; however, agencies may request authorization to purchase used automobiles. In such instances, agencies must demonstrate that the cost of each used vehicle purchased does not exceed the fair market value of the vehicle as determined by the National Auto Research's "Black Book."

Additionally, vehicles must meet the specified criteria in Appendix A “Vehicle Acquisition Matrix” to acquire a used vehicle.

5.5 Leasing Vehicles

Agencies may enter into lease agreements for vehicles in lieu of purchasing only with prior written approval of DOAS OFM. All leasing shall be conducted through leasing contracts established by the DOAS State Purchasing Division.

5.6 Disposing of Vehicles

Agencies (other than DPS) shall continue to dispose of their vehicles through the DOAS Surplus Property Division. Upon receipt of the new vehicle, the receiving agency has 60 days to request disposal from the Surplus Division along with required documentation through either the on-site or third-party disposal processes DOAS Surplus Property will track sales of surplus vehicles associated with the annual replacement program to ensure timely disposal.

5.7 Transfer of Vehicles

Except where prohibited by law or other provisions of this policy, transfer of vehicles between agencies may be authorized by DOAS Fleet Management. Agencies must request a vehicle transfer through Asset Works via DOAS Surplus Property Division. OFM will verify that the vehicles meet the requirements specified in Appendix A “Vehicle Acquisition Matrix” prior to approving the transfer.

5.8 Vehicle Utilization

Annually, vehicle-operating data will be analyzed to determine whether an assigned vehicle is being utilized a minimum of 14,000 miles per year for State business by OPB and DOAS OFM. Utilization reports for all assigned vehicles will be published by the Office of Fleet Management for all Agencies having assigned vehicles. Specific agencies will be notified when the assigned vehicle(s) does not meet the quarterly goal of 3,500 miles, requesting the Agency monitor mileage and consider reassignment or surplus of the vehicle.

6. Registration and Licensing

The agency shall apply for titles, registrations and tags with the Department of Revenue in the names of the ordering agencies. Ownership remains with the agency purchasing the vehicle. The agency will retain original title.

State agencies are advised to correct the names of their agencies on file with the Department of Revenue so that only the **official name** of each agency is used for each vehicle title and registration. The use of only one name per agency will potentially make feasible significant labor savings for the tag re-issuance effort.

7. Physical Identification

7.1 Vehicles to Be Affixed with State Government Tags

As provided for by O.C.G.A. Section 40-2-37, all State vehicles shall be affixed with State Government license tags unless they are specifically authorized by the Department of Revenue to have confidential tags affixed.

7.2 Marking of Vehicles

It is State policy that each agency shall assign one unique identification number to each vehicle. Each agency shall use only one number -- in addition to the manufacturer's vehicle identification number -- to identify a vehicle. Identification numbers shall be up to a seven-digit number. The identifying number will be affixed to the vehicle as noted in the Georgia Fleet Management Manual. Where identification exemptions apply, the vehicle identification number is not required. This one number shall be used for each manual and automated system maintained by the agency and shall be affixed to the vehicle as provided for in Section 7.

In accordance with O.C.G.A. Sections 50-19-2, those vehicles not specifically authorized by the Department of Revenue to be affixed with confidential license tags shall be marked. These markings shall be placed as shown in the Georgia Fleet Management Manual, by having affixed to the front door on each side of such vehicle a clearly visible decal or seal containing the name of or otherwise identifying the governmental entity owning, leasing, or operating such vehicle. They shall have affixed State Government tags. Such markings may be removed only if the vehicle is authorized by the Department of Revenue to have confidential tags or an exception is granted by DOAS OFM and OPB.

Agencies are authorized to have their vehicles marked with their own specially designed seals, so long as each such specially designed seal shall clearly identify the agency as being a part of State Government. Otherwise, generic State seals and departmental identification strips shall be used to mark the vehicles.

For those activities where agencies fear for the personal safety of the drivers or interference with their duties if their organizational unit or agency is identified, agencies are authorized to use vehicles marked with only the State seal and not to use any departmental identification, upon approval by OPB.

7.3 Emissions Inspection

All State motor vehicles operated in areas requiring emissions inspections shall be properly inspected annually as required by state law. Agencies should refer to Chapter 391-3-20-.03 of the Official Administrative Rules and Regulations of the State of Georgia (for the Department of Natural Resources) for pertinent exemptions. Agencies should maintain documentation that emissions inspections are not required.

8. Maintenance

DOAS provides guidelines in the Georgia Fleet Management Manual for agencies to follow in maintaining their vehicles. Agencies are required to follow these guidelines.

9. Accidents Repairs

All accidents or losses that result in damage to the state vehicle (owned or leased) or a third party must be called into the claims reporting vendor as established by DOAS' Risk Management Program. All agencies are required to provide DOAS OFM the cost of all repairs resulting from an accident, vandalism, or any event which damages the state vehicle in excess of \$500 or involves any safety related equipment. DOAS will establish a field in their Fleet Management Database to accommodate that information. All repairs must be completed and reported within 120 days of the loss or the operating agency will not be eligible for additional or replacement vehicles until the damage to the vehicle in question is resolved. Damage handled through the Auto Physical Damage Program at DOAS will be housed in DOAS systems.

10. Fueling State Vehicles (owned or leased).

All agencies must comply with the Statewide Fuel Card Policy. All state vehicles (owned or leased) must be fueled using the state fuel card or at state owned bulk fuel site. For vehicles not using the fuel card, all transactions must be filed with DOAS OFM by the 10th of every month for the previous calendar month listing the vehicle by state ID, VIN, # of transactions, the total gallons, and the actual cost per gallon. This information must be provided on every passenger vehicle in the agency's fleet regardless of activity or lack thereof. Vehicles that go more than 90 days without reporting activity will be subject to a review for reassignment or surplus. The operating agency will be barred

from obtaining additional or replacement vehicles until all fuel issues are resolved. DOAS will provide a template for reporting all fuel transactions.

11. Effective Date

This policy memorandum was significantly revised and issued on January 1, 2019.