

I. Definitions

A. Addition to the Fleet – the acquisition of a vehicle that will increase the fleet size.

B. Automobile – passenger car or station wagon.

C. Casualty Replacement – replacement of a vehicle prior to reaching the end of the assigned life cycle, generally due to physical or mechanical condition.

D. Fleet Size – the total number of vehicles in the fleet.

E. Leased Vehicles – vehicles leased by the department from Travel Management Division of Department of Administration.

E. Light truck – any vehicle 7,000 to 15,000 pounds Gross Vehicle Weight Rating (GVWR) and vehicles of less than 7,000 pounds that are designed primarily for hauling cargo, includes pickup trucks, cargo vans, and some full-size passenger vans.

F. Normal Replacement – replacement of a vehicle that has reached the end of the assigned life cycle, fleet size will not be increased.

G. Specialty vehicle – a vehicle (not an automobile) less than 7000 pounds Gross Vehicle Weight Rating (GVWR), designed for primarily transporting people, includes passenger mini-vans, most sport utility vehicles (SUVs), and some full-size passenger vans.

H. State-owned Vehicles – a vehicle purchased by the department with state funds or with federal funds under a cooperative agreement.

II. Scope

Application of the Policy - This policy applies to the Department of Military Affairs, and covers vehicles operated and owned/leased/rented by the Department of Military either with state funds or through any of the federal cooperative agreements.

This policy is not meant to not supersede laws, rules, or regulations imposed by federal, state, or local government. Admin Policy 99.1 remains in effect.

The Department of Military Affairs is responsible for enforcing this policy. Each organizational unit within the department is responsible for policy enforcement. It is the responsibility of each unit to make employees aware of this policy, give

employees guidance concerning this policy, and take appropriate corrective action should it be necessary.

III. Acquisition of Vehicles

A. Acquisition Criteria - The Department of Military Affairs recognizes the significant initial cost associated with vehicle acquisitions, and the commitment to ongoing costs that a vehicle purchase represents. To manage this expense effectively all vehicle acquisitions must be examined carefully. Vehicle assignments will not be made on the basis of status, tradition, or as a condition of employment. Instead, vehicles are to be assigned on the basis of need, as measured by the number of business miles driven or other qualifying use.

B. Additions to the fleet - All requests for new additions to the fleet will be accompanied by a written statement of justification for the vehicle acquisition that includes anticipated costs. This justification statement will include alternatives methods of transportation that have been considered and a statement indicating that the requested acquisition is the most cost effective manner to provide the required transportation. The Program Manager in charge of the budget area and the State Comptroller will approve additions to the fleet.

C. Normal Replacements of fleet units – When a vehicle is replaced the vehicle type and use will be reviewed to ensure the Department is selecting an appropriate vehicle, and utilization has been, and will continue to be, cost effective. Upgrading, significantly changing vehicle type or option level requires written justification. The Program Manager in charge of the budget area will approve vehicle replacements.

D. Casualty replacements of fleet units –

All casualty replacements will be examined. Vehicle replacements involve significant expense.

Casualty replacements due to mechanical failure will be examined for cause and possible vehicle, vehicle life cycle, or operational changes that may be necessary to avoid future casualty replacements.

Casualty replacements due to physical damage will be examined carefully as potential exists for liability expenses to the department as well as workers compensation expenses. All casualty replacements will be reported to the Department Safety Office for possible further investigation.

The Program Manager in charge of the budget area will approve all casualty replacements.

E. Vehicle Type Selection –

Selection of an appropriate vehicle type is an essential part of cost effective fleet management. It is an objective of the Department to supply vehicles for employee use that are well suited to performing the work needing to be accomplished. Employee safety will be taken into account when acquiring vehicles. Manufacturer ratings, including load carrying capacity and trailer pulling capacity, will be followed when developing vehicle specifications for justification and acquiring vehicles. All applicable State and Federal laws, rules, and regulations will be followed concerning vehicle type selection, including the requirements of Minnesota Statute 16C.135 for alternative fuel vehicles. For further information see:

<http://www.revisor.leg.state.mn.us/stats/16C/135.html>

Purchases of fuel and vehicles by state agencies – Statute

<http://www.afdc.nrel.gov/fleet.shtml>

Alternative Fuel Data Center – Fleet Information

<http://www.ott.doe.gov/epact/>

EPAct Fleet Information and Regulations - U.S. Department of Energy

The Admin Travel Management Division can help answer questions related to State of Minnesota and/or U.S. EPAct requirements regarding vehicle acquisition.

F. Vehicle Life Cycle Selection –

Establishing an appropriate life cycle is an essential part of cost-effective fleet management. The Department recognizes the importance of establishing a life cycle for each vehicle at the time of acquisition.

A life cycle will be established at the time of vehicle acquisition. This life cycle will include parameters for vehicle age as well as vehicle usage. This life cycle will take into account vehicle type as well as the work environment in which the vehicle will perform. This life cycle will be used in planning of vehicle replacement as well as monitoring vehicle usage during the life of the vehicle.

G. Financing Considerations-

It is an objective of the Department to make cost effective financial decisions when acquiring new vehicles. Financial options including vehicle rental, vehicle leasing, and vehicle ownership will be examined when acquiring vehicles. The State Comptroller of this Department will review vehicle acquisitions with Department Divisions to assure the appropriate consideration is given to all available financing options.

H. Agency Acquisition Approval Process –

Program Managers/Comptroller will approve (signature approval) all vehicle expansions to the existing fleet. Program Managers will approve (signature

approval) all normally scheduled vehicle replacements to the existing fleet as well as all casualty replacements.

I. Acquisition Process –

All vehicles will be acquired in accordance with Minnesota state law. All purchasing laws, rules, and regulations will be followed regardless of source of funding. Department of Administration, Materials Management Division can help answer questions concerning purchasing requirements.

<http://www.mmd.admin.state.mn.us/mn06000.htm>

Admin, Materials Management Division

IV. Operation of Vehicles

A. Compliance with State and Federal requirements –

The Department will operate vehicles in accordance with laws, rules, and regulations set forth by the local, state, and federal government.

Minnesota Statutes, Chapter 16B.55, prohibits the personal use of a state vehicle for other than authorized state business or specified, authorized commuting. This means that any other use of a state vehicle for personal benefit is strictly prohibited.

By statute, use of a state vehicle for commuting to and from an employee's residence is also prohibited except under very limited circumstances. A state vehicle may be used by a state employee to travel to and from the employee's residence under the following circumstances:

- On a day when it may become necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working.
- If the employee has been assigned the use of a state vehicle for authorized state business on an extended basis, and the employee's primary place of work is not the state work station to which the employee is permanently assigned.
- If the employee has been assigned the use of a state vehicle for authorized state business away from the work station to which the employee is permanently assigned, and the number of miles traveled or the time needed to conduct the business will be minimized if the employee uses a state vehicle to travel to the employee's residence before or after traveling to the place of state business

Personal use of a state-provided vehicle includes commuting and local and out-of-town personal travel. The value of the personal use of a state-provided vehicle under one of the specifically permitted situations must therefore be reported on the Employee's Biweekly Time Report and included as wages as reported on the employee's W-2, Wage and Tax Statement form.

Unauthorized personal use of a state vehicle may be grounds for disciplinary action. If you have any doubts, please contact the Dept Finance Section for further clarification.

Important links concerning vehicle operation:

<http://www.revisor.leg.state.mn.us/stats/16B/55.html>

Use of State Vehicles – Minnesota Statute

[http://www.sema4.state.mn.us/html/doc/eng/webhelp/PAY0019/Reporting_Personal Use of Employer Provided Vehicles for Tax Purposes Operating Policy and Procedure.htm](http://www.sema4.state.mn.us/html/doc/eng/webhelp/PAY0019/Reporting_Personal_Use_of_Employer_Provided_Vehicles_for_Tax_Purposes_Operating_Policy_and_Procedure.htm)

Personal Use of State Vehicles – Department of Finance

<http://www.dps.state.mn.us/dvs/DLTraining/DLManual/DLManual.htm>

Minnesota Driver License Manual – Department of Public Safety

<http://www.dps.state.mn.us/patrol/comveh/index.htm>

Minnesota State Patrol – Commercial Vehicle Enforcement – Department of Public Safety

<http://www.dot.state.mn.us/motorcarrier/commercial/cvo.html>

Office of Motor Carrier Services – Department of Transportation

Special consideration will be given to the operation of commercial vehicles. Commercial vehicle laws, rules, and regulations will be followed. Employees should consult their immediate supervision or the Department Safety Office concerning licensing and/or operational questions regarding commercial vehicles. In some cases a Commercial Drivers License (CDL) will be required to operate certain vehicles.

It is an objective of the Department of Military Affairs to operate all vehicles safely and according to the applicable laws, rules, and regulations. Fines and/or penalties resulting from improper use of a vehicle are the sole responsibility of the vehicle operator.

B. Ethical Use –

It is an objective of the Department to operate vehicles using the highest ethical standards. It is the intent of the Department to prevent a public image that is above any ethical question.

Ethical misconduct will not be tolerated within the Department of Military Affairs. Suspected or alleged ethical misconduct will be investigation by each division/directorate with the assistance of the department's Ethics Officer. Ethical misconduct will result in appropriate disciplinary action, up to and including discharge. Employees should consult their immediate supervisor concerning any questions in this area.

See also: <http://www.revisor.leg.state.mn.us/stats/43A/38.html>
Code of Ethics for Employees in the Executive Branch - Minnesota Statute

C. Vehicle Utilization -

Monitoring vehicle utilization is a key component in cost effective fleet management. Each Division within the Department of Military Affairs will monitor vehicle usage on an ongoing basis to ensure vehicles are being utilized in a cost effective manner consistent with expectations established at the time of vehicle acquisition.

D. Vehicle Markings –

Vehicle owned or leased by the Department will be clearly marked as State of Minnesota vehicles unless specifically exempted from marking requirements by State law. All vehicle licenses will be identified as Minnesota State Vehicle license plates unless specifically exempted by State law.

Important links concerning vehicle markings:

<http://www.revisor.leg.state.mn.us/stats/16B/54.html>
Central Motor Pool Establishment

<http://www.revisor.leg.state.mn.us/stats/16B/581.html>
Distinctive Tax Exempt License Plates

<http://www.revisor.leg.state.mn.us/stats/16B/581.html>
Vehicles exempt from tax or license fees

E. Safety –

It is an objective of the Department to operate vehicles safely. Vehicles will be operated in accordance with all traffic laws, rules, and regulations. Vehicles will not be operated in any fashion that may endanger the any person or property. Smoking is prohibited in all state vehicles. Seat belts must be worn at all times. Cell phone use should be avoided when it may interfere with safe vehicle operation. During adverse weather conditions, it is important to remember that speed limits are posted for safe driving conditions. Questions concerning safe vehicle operating practices may be addressed to the Department Safety Office.

See also:

<http://www.dps.state.mn.us/dvs/DLTraining/DLManual/DLManual.htm>
Minnesota Drivers License Manual - DPS

F. Suitability for work use –

Vehicles will be used in a manner that is consistent with the intended use of the vehicle. Vehicles will be operated in accordance with the manufacturer ratings and guidelines including load capacity and trailer pulling capacity. Employee and public safety are to be primary considerations when determining vehicle operational practices.

G. Fuel –

Vehicles are to be operated on the type and grade of fuel recommended by the manufacturer. E85 will be used in flex fuel vehicles when it is reasonably available and the price is comparable to gasoline.

Regular grade gasoline is recommended in for use in nearly every gasoline powered vehicle operated by the Department. The Department will use self-service fuel pumps.

Questions concerning fuel for leased vehicles can be directed to the Travel Management Division. See also:

<http://www.revisor.leg.state.mn.us/stats/16C/135.html>

Purchase of fuel and vehicles by state agencies – Statute

H. Maintenance / Mechanical Repair –

It is an objective of the Department of Military Affairs to keep all vehicles maintained in safe operating condition. Employee and public safety are prime considerations in making vehicle maintenance and repair decisions.

Vehicle operators will bring vehicular defects to the attention of their immediate supervisor. Safety related defects will be corrected prior to use of the vehicle. Copies of documents related to safety recalls/repairs should be forwarded to the Department Safety Office.

Divisions experiencing ongoing leased vehicle repair issues, or complex vehicle repair problems may contact the Travel Management Division for assistance in resolving these issues.

Divisions are responsible for proper maintenance and upkeep on DMA owned vehicles.

I. Physical Damage –

It is an objective of the Department to operate vehicles that present a positive reflection of the Department to the public.

It is also an objective of the Department to promote safe work practices. Physical damage to a vehicle often results from unsafe work practices. Incidents involving physical damage to vehicle are to be reported to the Department Safety Office for potential further investigation.

Physical damage to DMA owned vehicles exceeding the insurance deductible amount (usually \$500) will be reported to the Risk Management Division. The Risk Management Division will assist the Division owning/operating the vehicle with necessary reporting, repair, and/or subrogation procedures. See: <http://www.mainserver.state.mn.us/risk/index.html>

Admin, State and Community Services, Risk Management Division

All damage to Travel Management leased vehicles will be reported in accordance with Travel Management policies.

J. State Liability and Insurance –

It is the intent of the Department of Military Affairs to operate vehicles safely. Employee and public safety are very important to the Department. Safe vehicle operation is the primary preventive measure that can be used to help avoid incurring liability related vehicle expenses.

Vehicle operation involves a significant amount of potential liability. DMA owned vehicles will be insured for liability utilizing the program provided through the Department of Administration Risk Management Division. The Risk Management Division will assist Divisions in handling vehicular related liability expenses. See:

<http://www.mainserver.state.mn.us/risk/index.html>

Admin, State and Community Services, Risk Management Division

Vehicles leased from Travel Management are insured for liability through the lease program. Only authorized drivers are covered by this policy. Authorized drivers are state employees who have been given permission by the division/directorate head to operate vehicles controlled by their respective divisions.

V. Replacement / Disposal of Vehicles

The Department of Military Affairs has both leased and owned vehicles. Leased vehicles will be turned-in/exchanged upon notice from Travel Management Division, Department of Administration. Vehicle leases are currently executed with a known termination date which is selected on the front end of the lease.

Owned vehicles reaching the end of their life cycle will be evaluated for condition. Vehicles with useful life remaining will be made available for seasonal and/or temporary use when appropriate.

It is the intent of the Department to follow the laws, rules, and regulations concerning disposal of State property when retiring vehicles from service. This may include making surplus vehicles available for use by other agencies or governmental units. The State Quartermaster, DMA will determine the most appropriate method of vehicle disposal. If any funds are generated from the disposal process, the funds will be credited back to the funding source and the division/section that originally purchased the vehicle.