

I. Scope

A. Application of the Policy

This policy applies to the Department of Revenue, and covers vehicles operated and owned/leased/rented by the Department of Revenue.

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

Enforcement of this policy is the responsibility of the Department of Revenue. Each division 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.

II. Acquisition of Vehicles

A. Acquisition Criteria

The Department of Revenue recognizes the significant initial cost associated with vehicle acquisitions, and the commitment to ongoing costs that a vehicle purchase represents. We will continue to work with the Department of Administration in determining if vehicle acquisition is the most efficient and economical means of meeting some of our transportation needs.

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 additions to the fleet will be provided in writing with justification for the vehicle acquisition, including anticipated costs. This justification statement will include alternative methods of transportation that have been considered and cost justification for the acquisition and ongoing expense and be approved by the Division Director.

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 Department of Revenue's Administrative Management Director or appointed designee will work with the Department of Administration in approving and securing vehicle replacements.

D. Casualty replacements of fleet units

All casualty replacements will be reviewed and replacement will follow the "Normal Replacement" requirements

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

Casualty replacements due to physical damage will be examined as potential exists for liability expenses as well as worker compensation expenses. All casualty replacements will be reported to the Department's Administrative Management Director for possible further investigation.

The Department's Administrative Management Director will work with the Department of Administration in determining 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 acquiring vehicles. All applicable State and Federal laws, rules, and regulations will be followed concerning vehicle type selection.

Important links to reference when acquiring vehicles:

<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/>

EPAact Fleet Information and Regulations – US Department of Energy

DOA Travel Management Division can help answer questions related to State of Minnesota and/or U.S. EPAact 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 with consultation of the Department of Administration. 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 Consideration

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 Department's Administrative Management Director will work with the Department of Administration to assure the appropriate consideration is given to all available financing options

H. Agency Acquisition Approval Process

Division Director will approve all vehicle expansions to the existing fleet as well as all casualty replacements. The Department's Administrative Management Director will approve all normally scheduled vehicle replacements to the existing fleet.

I. Acquisition Process

All vehicles will be acquired in accordance with Minnesota state law. All purchasing laws, rules, and regulations will be followed.

DOA Materials Management Division can help answer questions concerning purchasing requirements.

Important links to reference when acquiring vehicles:

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

III. Operation of Vehicles

The Department will operate vehicles in accordance with laws, rules, and regulations set forth by the local, state, and federal government. An operator will have a valid Minnesota driver license.

It is an objective of the Department of Revenue 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.

Compliance with State and Federal Requirements

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.

Important links concerning vehicle operation:

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

Use of State Vehicles – Minnesota Statute

[Reporting Personal Use of Employer-Provided Vehicles for Tax Purposes - Operating Policy and Procedure](#)

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

A. 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 achieve a public image that is above any ethical question.

All Department employees will operate vehicles in an ethical manner and in accordance with the Department's Code of Conduct. The Department will avoid any use of vehicles that may give the appearance of being unethical. Employees should consult their immediate supervisor and the Human Resource Director or Administrative Management Director concerning any questions in this area

Ethical misconduct will not be tolerated in the Department of Revenue. Suspected or alleged ethical misconduct will be investigated by each division and HRM. Ethical misconduct will result in appropriate disciplinary action, up to and including discharge.

Important links concerning State employee ethics:
<http://www.revisor.leg.state.mn.us/stats/43A/38.html>

B. Vehicle Utilization

Monitoring vehicle utilization is a key component in cost effective fleet management. Each Division within the Department of Revenue will monitor vehicle usage on an ongoing basis to ensure vehicles are being utilized in a cost effective manner consistent with expectation established at the time of vehicle acquisition. Annually, the Administrative Management Director will review the utilization with the Division Directors and recommend any changes to them.

C. Vehicle Markings

Vehicles 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

D. Safety

Vehicles will be operated safely and in accordance with all traffic laws, rules, and regulations. Vehicles will not be operated in any fashion that may endanger any person or property. Questions concerning safe vehicle operating practices will be addressed to the Department's Administrative Management Director.

Important links for safe vehicle operation:

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

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.

E. Fuel

Vehicles are to be operated on the type and grade of fuel recommended by the manufacturer.

Regular grade gasoline is recommended for use in nearly every gasoline powered vehicle operated by the Department. The Department will use self-service fuel pumps. Questions concerning fuel can be directed to the Department's Administrative Management Director or appointed designee.

Important links for fuel purchasing:

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

Purchase of fuel and vehicles by state agencies - Statute

G. Maintenance / Mechanical Repair

It is an objective of the Department of Revenue 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 the Department's Administrative Management Director. Safety related defects will be corrected prior to use of the vehicle.

H. 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's Administrative Management Director for further investigation.

Important links for Risk Management information:

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

I. State Liability

It is the intent of the Department of Revenue 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. Vehicles will be insured for liability utilizing the program provided through the Department of Administration's Risk Management Division. The Risk Management Division will assist the Department of Revenue in handling vehicular related liability expenses.

Important links for Risk Management Information:

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

IV. Replacement / Disposal of Vehicles

A. Retirement / Disposal

Vehicles reaching the end of their life cycle will be reviewed 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, (specifically MS 16c.), 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.

Important links for Vehicle Disposal:

<http://www.mmd.admin.state.mn.us/mn03000.htm>

DOA Material Management Division, Surplus Services