



**ADMINISTRATIVE ORDER NO. 2007-03**

**Adoption of the City of Bozeman Vehicle Use Policy**

Effective on April 1, 2007:

The City of Bozeman Vehicle Use Policy is hereby adopted.

DATED this 29 day of March, 2007.

  
Chris Kukulski, City Manager



## CITY OF BOZEMAN, MONTANA VEHICLE USE POLICY

### I. PURPOSE AND SCOPE

The purpose of this policy is to set forth the guidelines under which City vehicles will be authorized to City personnel; the guidelines under which City vehicles may be used and the guidelines for reimbursement or compensation for employee use of personal vehicles;

The provisions of this policy apply to all City employees. Employees whose employment is regulated by collective bargaining agreement are subject only to those provisions of this policy not specifically regulated by agreement.

### II. DEFINITIONS

**Automobile Allowance** – that amount approved by the City Manager or the City Commission (for the City Manager) to compensate an employee for regular and routine use of a personal automobile. Automobile allowance is considered to be a salary item and, as such, is subject to taxation.

**Expense Reimbursement** – that payment for approved expenses relating to personal automobile use upon receipt of written documentation. Expense reimbursement is not considered to be a salary item.

**Municipal Vehicle** – those automobiles, trucks, vans, or other self-propelled equipment owned, rented, or leased by the City of Bozeman and licensed for travel on a public way.

**Personal Automobile** – that automobile owned or available for private use by the employee.

### III. POLICY

#### A. Municipal Vehicles

It is the policy of the City of Bozeman that certain positions require employee access to municipal vehicles, either during the work shift or on a 24 hour on-call basis. City vehicles are not personal vehicles and are not for personal use. City vehicles should be viewed as belonging to the citizens of Bozeman and are assigned for purposes consistent with providing services to those citizens.

#### B. Use of Municipal Vehicles for Travel under this policy.

It is the policy of the City of Bozeman that employees shall use municipal vehicles whenever they are available for travel covered by this Policy. Exceptions to this policy must be approved, in advance, by the employee's Department Head or the City Manager.

**C. Expense Reimbursement for use of Personal Automobile.**

Employees will not be reimbursed for commuting between their homes and offices or other regular work locations.

It is the policy of the City of Bozeman to reimburse employees for reasonable expenses which they incur as a result of personal automobile use on behalf of the City. Receipts and the Accounts Payable Claim form must be submitted in order for an employee to be reimbursed for such expenses.

**D. Automobile Allowance**

It is the policy of the City of Bozeman that in event that an employee is required to use his or her personal automobile extensively on a year-round basis, and that employee has not been assigned a municipal vehicle, the City Manager may authorize the payment of an appropriate automobile allowance. Such stipend may be rescinded with 90 days' notice, and will not be paid in combination with personal automobile expense reimbursement unless authorized by the City Manager.

**IV. PROCEDURES**

**A. Expense Reimbursement – Personal Automobiles**

1. For Travel within the Bozeman City limits – Employees will not be reimbursed for personal automobile use within the City of Bozeman without approval of the Department Head.
2. For Travel outside the Bozeman City limits:
  - a. **No City Vehicle Available** – If there is no City vehicle available for an out-of-town trip, the employee may use his or her personal vehicle. Reimbursement will be based on the current rate allowable by IRS multiplied by the number of miles driven or the approved round-trip commercial coach airfare, plus transfers, whichever is the lower amount. The airfare will be established on the date that the travel received final approval from the appropriate level. (Refer to the City Travel Policy for more specific instructions.)
  - b. **City Vehicle Available** - If there is a City vehicle available for an out of town trip, and the employee chooses to use his/her personal vehicle, the reimbursement rate will be the number of miles driven multiplied by 60 percent of the current rate allowable by IRS or the approved round-trip commercial coach airfare, plus transfers, whichever is the lower amount. The airfare will be



established on the date that the travel receives final approval from the appropriate level. This percentage will be reviewed periodically and will vary depending on the replacement cost of the vehicles and the allowable IRS reimbursement. Employees must receive approval from the Department Head or City Manager to exercise this option on the enclosed Travel/Advance Reimbursement Request form. (Refer to the City Travel Policy for more specific information.)

3. In addition to the mileage rate, the City will reimburse employees authorized to travel outside of Bozeman, driving personal or municipal vehicles, for reasonable parking expenses, when receipts are provided.
4. Employees who use their personal vehicles for work-related travel, or who receive an automobile allowance, must maintain the minimum levels of insurance coverage required by State law.
5. In order to be reimbursed for personal automobile use, employees must complete a City of Bozeman Accounts Payable Claim form. This form should be submitted to the appropriate supervisor for approval prior to submission to the City Finance Department for payment.

**B. Assignment of Municipal Vehicles**

The assignment of municipal vehicles during work time is based upon job duties. Appointing authorities who have municipal vehicles available for this purpose may assign such vehicles in a manner consistent with departmental workload and employee function. The assignment of vehicles may be rescinded at any time by the City Manager or the Department Head.

**C. Assignment of Municipal Vehicles for 24 Hour Use (Vehicle Use Approved for Commuting Purposes).**

1. The assignment of vehicles for 24 hour use will be made in writing by the City Manager and Department Head and will only be considered for employees who require a vehicle for the ordinary and necessary discharge of their job functions. Criteria which will be used in the determination of eligibility for 24-hour vehicle use include:
  - Officially designated on-call status;
  - Requirement for emergency response;
  - Issuance of a pager or other communication device;
  - Emergency or other equipment contained in the vehicle; and/or
  - No City facility is available for garaging in a safe and convenient location.
  - Remote job responsibilities.

Such assignment may be rescinded in writing at any time by the City Manager or Department Head.

2. Vehicle use is limited to travel to and from the residence and the work site. The vehicle should be driven over the most direct route taking into account road and traffic conditions. The vehicle should not be utilized for travel outside a direct commuting route and/or for personal reasons other than for those activities incidental to the commute. The use of a City vehicle under this policy is not intended to enhance the salary of the employee using the vehicle.
3. Whenever a position becomes vacant, the City Manager and Department Head shall review the authorization for 24 hour use.
4. In order to be assigned a City vehicle, Employees must live within Gallatin County and must not commute more than 20 miles one way. Employees who have been assigned a City vehicle and have established commuting patterns of more than 20 miles on or before April 1, 2007 shall be exempt from this provision for as long as they live at their current residence.
5. Employees assigned municipal vehicles on a 24 hour basis will be given a copy of this policy and will be required to sign a confirmation of receipt.
6. Imputed Income Taxation
  - a. Employees who are assigned marked and unmarked police vehicles, and/or marked municipal vehicles carrying tools and meeting certain other eligibility criteria will not be subject to imputed income taxation as a result of the vehicle assignment.
  - b. Other employees authorized to commute in a City vehicle may be subject to imputed income regulations as set forth by the Internal Revenue Service, which considers a certain portion of the vehicle use (namely the commute) to be income for the purposes of income taxation.

The Finance Department shall be responsible for determining any tax liability and will be provided with the names of all employees authorized to use City vehicles for commuting purposes, and the normal, one-way commuting distance, each December 1<sup>st</sup>.

**D. General Rules Governing Municipal Vehicle Use**

1. Municipal vehicles may only be used for legitimate municipal business.
2. Municipal vehicles will not be used to transport any individual who is not directly or indirectly related to municipal business. Liability waivers must be completed whenever a non-city employee is a passenger in a City vehicle.



3. Only City employees may operate City vehicles.
4. Vehicles should contain only those items for which the vehicle is designed. The City shall not be liable for the loss or damage of any personal property transported in the vehicle.
5. Employees are expected to keep municipal vehicles clean, and to report any malfunction or damage to their supervisors immediately.
6. Employees assigned vehicles for commuting purposes are expected to park such vehicles in safe locations.
7. Employees must wear seatbelts in vehicles so equipped during operation of the vehicle.
8. Employees may not operate municipal vehicles under the influence of alcohol, illegal drugs, or prescription drugs or medications which may interfere with effective and safe operation.
9. Employees who operate municipal vehicles must have a valid motor vehicle license issued by the state of Montana and may be required to provide proof of valid motor vehicle license once every six (6) months.
10. Employees driving City vehicles shall comply with all relevant City policies and procedures including but not limited to those found in the Sections XVII (Health and Safety), XVIII (Drivers' Licenses and Travel Information), Appendix C: Drug and Alcohol Policy; and Appendix E: (Administrative Order 1993-01, Smoking Policy ).
11. Employees driving City vehicles shall comply with all relevant laws, rules and regulations, including but not limited to the Clean Indoor Air Act, Federal Child Labor Laws, Occupational Safety and Health requirements, and Montana Motor Vehicle Laws.
12. Employees driving municipal vehicles shall obey all applicable traffic and parking regulations, ordinances, and laws.
  - a. Employees who incur parking or other fines in municipal vehicles will be personally responsible for payment of such fines.
  - b. Employees who are issued citations for any offense while using a municipal vehicle must notify their supervisor immediately when practicable, but in no case later than 24 hours. Failure to provide such notice will be grounds for disciplinary action.
  - c. An employee who is assigned a municipal vehicle and who is arrested for or charged with a motor vehicle offense for which the punishment includes suspension or revocation of the motor vehicle license, whether in his or her personal vehicle or in a municipal vehicle, must notify his or her supervisor immediately when practicable, but in no case later than 24 hours. Conviction for such an offense may be grounds for loss of municipal vehicle privileges and/or further disciplinary action.

13. No employee may use a municipal vehicle for out of state use without advance approval of the City Manager or Department Head.

**V. SPECIAL CIRCUMSTANCES**

This policy is intended to provide a basic framework governing the use of personal and municipal vehicles in the City of Bozeman, and, as such, cannot contain procedures governing every situation that might arise. Employees seeking clarification of, or exemption from, the provisions of this policy should contact the City Manager who will provide such clarification and may authorize exceptions to the policy under mitigating circumstances.

**VI. SANCTIONS**

Failure to comply with any and all provisions of this policy may result in disciplinary action up to and including removal of City vehicle privileges, suspension, and/or termination from City service.

Effective: April 1, 2007



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Chris Kukulski, City Manager