

## Operation of State-Owned and Rental Automobiles

**Issued:** May 11, 2018

### **POLICIES**

**Responsible Official:** Vice President for Finance and Administration

**Responsible Office:** Physical Plant

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#### **Policy Statement**

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It is the policy of Austin Peay State University to allow the use of vehicles for approved business purposes.

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#### **Purpose**

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The purpose of this policy is to establish regulations and procedures concerning the use of motor vehicles owned by APSU or by off campus rental service for university business.

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#### **Definitions**

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**State vehicle or motor vehicle**

Any motor vehicle owned by Austin Peay State University or purchased or leased from state funds.

**Employee**

Any person employed full or part-time by Austin Peay State University or any person serving as an 'official volunteer' at Austin Peay State University. An 'official volunteer' is defined as a person whom the institution has properly registered with the Tennessee Board of Claims pursuant to Tenn. Code Ann. § 8-42-101(3)(B).

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**Procedures**

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**General Provisions**

- A. Motor vehicles are maintained at Austin Peay State University to facilitate the official business of the University. It is the responsibility of all employees who use state vehicles to ensure the efficient and economical utilization of such vehicles.
- B. All state vehicles shall be used in accordance with the provisions of this policy.
- C. All state vehicles shall be marked in accordance with the current APSU Marking Plan as contained in this policy.

**Fleet Vehicles**

- A. Austin Peay State University maintains fleet vehicles which are permanently assigned to specific campus departments.
- B. Permanently assigned vehicles may not be used for commuting purposes unless the employee:
  - a. Is departing upon or returning from an official trip away from his or her headquarters or the employee needs the vehicle to conduct institution business after regular working hours or before his or her usual working hours on the next day; or
  - b. Has been approved by the President to be authorized to use the vehicle for commuting purposes.

**Usage of University Vehicles**

- A. Vehicles may be rented for official APSU business.
- B. The vehicles may be used only for an approved University activity.
- C. The drivers of a vehicle must have a valid driver's license.
- D. The person to whom the vehicle is assigned must abide by approved policies and procedures during the period of assignment.

- E. Seat belt use is required in all vehicles used by any department and drivers are responsible for enforcing this requirement for all vehicle occupants.
- F. The use of a cell phone is not allowed while operating a University vehicle.
- G. The use of tobacco products is not allowed in any University vehicle.
- H. The use of alcohol is not allowed in any University vehicle.
- I. The use of any prescription, over-the-counter medication or other substance that could impair the ability of the driver to safely operate the vehicle is prohibited.
- J. Regular full-time or part-time employees are the only persons allowed to drive APSU vehicles. As a general rule, students are not permitted to drive state motor vehicles. However, a student may drive a state motor vehicle provided he/she is an employee of the institution, is acting within the scope of his/her employment in driving the state vehicle, has been given proper authorization and would be paid by the institution for services rendered.
- K. Student Government Association (SGA) officers are not considered university employees although they may receive a stipend. Therefore, even if their travel is in connection with SGA business, such students are not permitted to drive state motor vehicles.
- L. Passengers in Austin Peay State University vehicles or leased vehicles should be limited to Austin Peay State University employees within the scope of their job, students engaged in school sponsored activities and other individuals with an approved travel authorization.
- M. Employees who choose to use personal vehicles for official university business shall be compensated under Austin Peay State University travel policy 4:015.

**Policy for Assignment of  
Motor Vehicle to the  
President**

The president of Austin Peay State University may be provided an assigned motor vehicle for his/her use or receive an automobile allowance. The terms of such use shall be set forth in his/her employment agreement.

At the time of employment, the Austin Peay State University President may elect to receive an assigned Austin Peay State University fleet vehicle for his/her use or receive a motor vehicle allowance.

If assigned an Austin Peay State University fleet vehicle:

1. An appropriate motor vehicle is defined as a late model (no more than five years old) four-door passenger sedan.
2. Operating and maintenance cost of the assigned motor vehicle shall be the responsibility of the institution.
3. The replacement should occur as needed based on the useful life of the vehicle and accumulated mileage.
4. If the vehicle is used for non-business purposes, the institution should report on the employee's Form W-2 the value in the employee's income as compensation subject to withholding for federal income taxes and applicable FICA taxes. In addition, these amounts shall be considered as compensation for employee benefit purposes.

If receiving a motor vehicle allowance:

1. The President shall receive a monthly cash allowance from the institution.
2. The President will be responsible for all expenses to include a purchase or lease of a motor vehicle defined as a late model (no more than five years old) four-door passenger sedan.
3. The President will be responsible for the operation, insurance, maintenance, and repair cost of the said vehicle.
4. The monthly automobile allowance amount shall be set in the President's employment agreement and consist of:
  - a. The estimated monthly lease value of the suited motor vehicle.
  - b. The operating component that applies a mileage rate that considers only the marginal operational cost of a vehicle and assumes 12,000 business miles are driven annually.

5. The Business Office is responsible to calculate and periodically update the monthly vehicle allowance amount.
6. Adjustments should be made periodically in conjunction with future compensation studies.
7. The monthly automobile allowance must be included in the compensation on the employee's Form W-2 and is subject to federal withholding and applicable FICA taxes. In addition, these amounts shall be considered as compensation for employee benefit purposes.
8. A log that documents the President's business related travels that exceed 12,000 miles annually are eligible to be reimbursed for business related mileage. The log should comply with IRS guidance for documentation of business usage of a motor vehicle and submitted for reimbursement. The reimbursement rate is equal to the current approved mileage rate less the current IRS standard mileage rate attributed to depreciation. Mileage reimbursement paid under this item is not considered compensation for income tax purposes and not subject to federal withholding and applicable FICA taxes.

#### **Insurance and Accidents**

- A. Neither the state nor APSU carries an automobile liability insurance policy for the protection of faculty, staff, and students driving University-owned vehicles.
- B. The State Board of Claims, Nashville is the agency established to function in lieu of liability insurance. Using staff attorneys, the board investigates and adjudicates all claims against the state, including those arising from negligence of state employees. The board makes decisions regarding the awarding of damages and the amount. The board endeavors to make awards consistent with what would be awarded in a civil court of law.
- C. In accidents involving automobiles, two criteria must be met before the board will consider a claim: (1) The driver must be a state employee and (2) the state employee must be on official business. If these conditions exist, the claimant must establish that he/she was injured and that the injury was the result of negligence of the state employee.

**Marking Plan**

- A. Austin Peay State University will affix an identifying decal containing a minimum surface area of sixty square inches to all licensed vehicles. Small vehicles (one-and two-passenger vehicles) may have smaller decals if necessary (minimum of thirty-six square inches).
- B. The identifying decal will be displayed on the passenger and driver’s door unless otherwise stated. Some vans will be marked on the side at mid-panel height, and some vehicles will be further identified as security, maintenance, etc.
- C. Vehicles for use by commissioned campus police offices will have markings as deemed appropriate by the APSU Police Chief.
- D. Vehicle(s) assigned to the president will carry regular series license plates and no decal identification.

**Exceptions**

Any exception to this policy must be approved in writing by the President.

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**Links**

**Enterprise Information**

**APSU Policy 4:015**

<http://www.apsu.edu/physical-plant/faq.php>  
[http://www.apsu.edu/policy/4s\\_business\\_and\\_finance\\_policies/4015-travel.php](http://www.apsu.edu/policy/4s_business_and_finance_policies/4015-travel.php)

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**Revision Dates**

APSU Policy 4:022 – Rev.: May 11, 2018  
APSU Policy 4:022 (previously 4:025) – Rev.: March 9, 2017  
APSU Policy 4:022 – Rev.: April 27, 2011  
APSU Policy 4:022 – Issued: January 24, 2007

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**Subject Areas:**

Academic	Finance	General	Human Resources	Information Technology	Student Affairs
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**Approved**

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President: signature on file

