



SUBJECT: Overnight Retention of City Vehicles

PURPOSE: As a condition of employment, City employees are responsible for arranging their own transportation to their regular assigned job sites at City facilities by the appointed start time, regardless of how remote or distant from their home, or the travel time required. Authorization of the overnight retention of vehicles is not intended for the convenience, benefit, betterment, or private use of City employees. Personal Use of City vehicles may result in the reporting of vehicle use as a taxable employee benefit which may have federal and state income tax implications that will be the responsibility of the employee.

This policy is applicable to all City-owned vehicles and is not considered part of a City Council approved executive compensation package. For purposes of this policy, "City-owned" includes any vehicle owned, leased or rented by the City. Policies regarding the overnight retention of vehicles as part of a City Council approved executive compensation package are addressed in the most current management resolution.

This policy applies to:

1. All City departments/functions (Indio Police Department will also refer to IPD Policy 706);
2. Agencies which function similarly to City departments under terms of a contract (e.g., Riverside County Fire); and
3. All districts/authorities governed by the City Council in their various governing capacities.

General Policy: Allowing employees to retain City vehicles overnight at home reduces availability of the vehicles and generally results in higher operating costs to the City. Overnight retention of vehicles is appropriate when it is in the overall best interest of the City through improved services and/or reduced costs. Authorization shall not be based on the ability of an agency/department to receive non-city reimbursement for vehicle costs. To the fullest extent possible, department heads shall establish procedures to reimburse employees for mileage incurred using their personal vehicles to respond to emergencies while off-duty, abiding by the *Reimbursement for Travel and Necessary Expenses Policy, No. B-9, Section 7: Private Automobile*. When a City-owned vehicle is to be stored at an employee's home, regardless of the reason, a Vehicle Overnight Retention Request/Permit must be obtained in advance and approved by the City Manager.

Provisions:

A. Vehicle Use:

1. To safeguard City equipment, employees authorized overnight retention of City vehicles should park those vehicles in secure off-street locations whenever possible.

City vehicles authorized for overnight retention are not intended for personal use, except where such use by an employee cannot be avoided due to the nature of the employee's on-call duties.

2. This policy strictly prohibits use of a City vehicle authorized for overnight retention by anyone other than a City employee who has authorization from the City Manager to retain a vehicle overnight.
3. This policy also limits passengers to other City employees who have a specific work-related reason to be in the vehicle, unless the passenger's transport is the purpose of the vehicle assignment.
4. The operation of a City vehicle is a highly visible activity that deserves the attention of each City department. The public's awareness of City vehicles and their concern about proper use is an important consideration when operating a City vehicle. City departments and all City employees are responsible for knowing and following City fleet rules, including, but not limited to the following:
 - City motor vehicles shall be used only in the conduct of City business.
 - An approved Vehicle Overnight Retention Request/Permit is required if a City vehicle is to be kept overnight at an employee's home.
 - Carrying in the vehicle any persons other than those directly involved with official City business is prohibited.
 - City departments and employees are responsible for properly reporting personal use of City provided vehicles, considered compensation by the Internal Revenue Service and Franchise Tax Board.
 - Smoking in City vehicles is prohibited.

B. Vehicle Overnight Retention Request/Permit Authorization Criteria:

1. Overnight retention of City vehicles shall not be authorized unless the following criteria have been met;
 - The individual must respond to emergency events after hours as a primary responder.
 - The emergency responder must respond to the field, rather than to a city facility where their vehicle could be stored.
 - The emergency responder must be able reach the emergency event within 30 minutes.
 - The emergency response must require specialized equipment that is not transferrable to a personal vehicle or activity that is not reasonable for a personal vehicle.
 - The emergency response must be for health and safety purposes (i.e., responding to hazards or criminal activity).
 - The individual only takes a vehicle home when needed as a primary responder.
 - The individual must respond to a minimum of 24 emergencies per year.

A department should not issue a Vehicle Overnight Retention Permit to any employee who does not meet all of the above criteria. It is also incumbent upon the department to report/record information as necessary to support the issuance of a

Vehicle Overnight Retention Permit.

C. Procedure:

1. Vehicle Overnight Retention Request/Permits must be submitted annually through the requesting employee's chain of command on the form required (Vehicle Overnight Retention Request/Permit form). Requests shall be authorized by the employee's supervisor/division manager (if applicable), department head, and City Manager.
2. The City Manager shall review each request and notify the department of approval or denial. The City Manager shall reject without review requests not submitted on the required form (Vehicle Overnight Retention Request/Permit). All requests, approved or denied, must be routed to Fleet Services annually, on or before June 1st, for records retention. New employee requests shall be submitted prior to overnight retention of city-owned vehicles.
3. Agency/Department heads shall annually submit the Vehicle Overnight Retention Permit Certification to Fleet Services, on or before June 1st, with supporting documentation.
4. The City Manager and/or Fleet Services Division may periodically review a sample of vehicle utilization data to verify that employees use their authorization to retain vehicles overnight as intended. Low utilization may be grounds for suspension or revocation of overnight retention privileges. If a review of the sample from any department shows that assignments are not consistent with this policy, a formal audit of the department's vehicle usage will be undertaken and the report forwarded to the City Council for action.
5. While all authorization requests must be resubmitted annually, department heads must immediately inform the Fleet Services Operations Manager and the City Manager of any changes that result in an employee becoming ineligible for overnight vehicle retention or changes to vehicles retained by employees overnight. In the event an employee becomes ineligible, department heads must resubmit the Vehicle Overnight Retention Permit Certification to Fleet Services.
6. Any denial or revocation of authorization of overnight retention of a City vehicle may be appealed in writing to the City Manager or designee on a case-by-case basis.

D. Exceptions:

1. Exceptions to the policy include the Street Maintenance and Indio Water Authority standby/ on-call schedules as approved by applicable Department Director and or the Indio Water Authority General Manager. One assigned vehicle is rotated amongst the individuals listed in each of the department's schedule for overnight retention and home storage to respond to off-duty emergencies.
 - i. Employees in Street Maintenance and Indio Water Authority listed on the standby/ on-call schedules are not required to submit a Vehicle Overnight Retention Request/Permit, only when the rotated standby vehicle is the only city vehicle retained overnight at home. The standby schedule serves as the permit for these employees, as they respond to off-duty hour emergencies in support of public safety, public health, weather emergencies, traffic control, etc.

2. At the discretion of the Department Director and subject to the City Manager's Approval, limited circumstances exist that would allow an employee attending a Conference, training or business meeting out of town to retain City vehicle overnight. In order for commuting in a City vehicle to be considered a non-taxable de minimis fringe benefit, the occurrence must be infrequent and occasional (generally happening no more than once a month).

E. Responsibility of Employee:

1. Vehicles must be stored at the appropriate City facility while the employee that is authorized overnight retention of a City-owned vehicle is off duty for a period exceeding one week. (e.g.. on vacation or leave of absence)
2. Vehicle maintenance must be arranged during employee's absence.
3. While in possession of a City Vehicle while on duty, off duty, standby or otherwise, the City Vehicle shall only be used for official City business.

F. Recordkeeping:

1. Storage of City-owned vehicles at an employee's residence on a regular basis requires an approved Vehicle Overnight Retention Request/Permit be on file with the employee's department and be submitted to the City Manager for approval. All original forms must be forwarded by the department to the Fleet Services Operations Manager. All Vehicle Overnight Retention Request/Permits must be routed to the Fleet Services Division by the requesting department; permits will be on file with the Public Works Department, Fleet Services Division.
2. Each department head will be responsible for establishing a method for tracking overnight retention of City vehicles and maintaining appropriate records. Records shall include the name of employee retaining the vehicle overnight, the date(s) the vehicle was retained by the employee, and the starting and ending mileage of the personal and business use of the vehicle.
3. Records shall be maintained pursuant to City Council's Policy A-43, *City Records Management and Archives Policy*. All documentation is subject to audit and/or review. Departments/agencies are responsible for ensuring documentation is maintained to comply with the provisions of this policy. Failure to maintain mileage records for City vehicle use will result in the reporting of the fair market value of the use of the vehicle as taxable income to the employee.
4. Commuting between home and the worksite is categorized as personal use by the IRS and may be a taxable benefit even when job assignments require the overnight retention of vehicles. Department heads are responsible for ensuring an accurate report of personal use of vehicles, as defined by IRS regulations, is reported to the Auditor-Controller's Office on a regular basis. The procedures for submitting this information shall be coordinated with the Auditor-Controller's Office. The Auditor- Controller's Office is responsible for ensuring payroll reporting of vehicle benefits is consistent with IRS regulations.

G. Misuse or Negligence of City Vehicles:

1. City agencies/departments are responsible for ensuring that vehicles are used appropriately by their employees. Costs incurred to City vehicles due to employee abuse, negligence,

misuse, or violations of the Overnight Retention of City Vehicle Policy, may be billed back to the division.

2. An employee shall be liable to the City for the actual costs to the City attributable to his/her abuse, negligence or misuse of a city-owned motor vehicle. Employees may be subject to disciplinary action up to and including dismissal from employment as a result of the abuse, negligence or misuse of City vehicles.

Attachments:

Vehicle Overnight Retention Request/Permit
Vehicle Overnight Retention Permit Certification