

University Vehicles

Authority Approved by the Vice President for Business Affairs and Chief Financial Officer, and the Vice President for Land, Buildings and Real Estate.

Summary This Guide Memo discusses the administrative procedure for acquisition and ownership of motor vehicles that must be followed to comply with applicable Board of Trustees' policies.

Section headings:

1. USE OF UNIVERSITY FLEET
2. ADMINISTRATIVE RESPONSIBILITIES
3. METHODS OF ACQUISITION
4. VEHICLE NUMBER AND REGISTRATION
5. INSURANCE
6. REPLACING A VEHICLE NOW IN THE FLEET
7. ADDITIONS TO THE FLEET
8. ACQUISITION RESPONSIBILITIES
9. INVENTORY RESPONSIBILITIES

1. USE OF UNIVERSITY FLEET

Motor vehicles, boats, golf cart-type vehicles and trailers owned by the University become part of the University fleet. University vehicles are for official use of University personnel. Personal use of University vehicles, boats and trailers is prohibited. For more information, see Guide Memo 28.7, Operation of Vehicles, at http://adminguide.stanford.edu/28_7.pdf. For information about golf cart-type vehicles, see Guide Memo 28.8, Acquisition and Use of Golf Cart-Type Vehicles, http://adminguide.stanford.edu/28_8.pdf.

2. ADMINISTRATIVE RESPONSIBILITIES

a. Department Responsibilities – The department acquiring the vehicle is responsible for:

- Seeing that the vehicle is operated properly, cared for, and maintained.
- Maintaining the inventory record in the Sunflower Assets System.
- Providing current vehicle information to Land, Buildings and Real Estate to track in their maintenance management record-keeping system (see 2.b below).

b. Fleet Garage – The Supervisor of the Fleet Garage is responsible for:

- Assistance in the development of specifications for vehicle procurement requests (see section 8).
- Assistance in the disposal process (see 6.c)
- Processing Department of Motor Vehicles Registration Certificates, if required for vehicle.
- Overseeing the maintenance of vehicles, either performed at the Fleet Garage or other service provider (department must get approval from the Garage Supervisor if service is not performed at the Fleet Garage).

Land, Buildings and Real Estate uses their maintenance management record-keeping system to keep accurate records of the University fleet for:

- Repair and maintenance scheduling and billing
- Charging for fuel, maintenance, insurance, and DMV fees
- Maintaining planned maintenance schedules

c. Procurement – The Procurement Department negotiates, purchases and issues purchase orders for vehicles on receipt of a department requisition.

- d. **Risk Management** – The Assistant Vice President of Risk Management handles all insurance inquiries.

3. METHODS OF ACQUISITION

A University department may acquire a new or used vehicle via any of the following methods.

- a. **Acquisition with University Funds** – Vehicles may be purchased with regularly budgeted general funds, as with any purchase of Capital Equipment. If a purchase is financed, University policy requires that the purchase price of vehicles acquired with University funds be amortized over the useful life of the vehicle. The Capital Budget and Accounting department in the Controller's Office can provide information on financing. See Guide Memo 53, Financing of Purchases, <http://adminguide.stanford.edu/53.pdf>. Section 8 of this Guide Memo describes a routine vehicle purchase.
- b. **Acquisition with Government Funds** – Normally, if a vehicle is acquired with funds provided by a U.S. Government contract or grant, the procedures in Section 8 apply. Title is normally in the name of the government agency that supplied the funds, in care of the Board of Trustees. However, the SLAC National Accelerator Laboratory follows a separate set of U.S. Department of Energy regulations for vehicles operated by SLAC.
- c. **Acquisition by Gift** – Occasionally a motor vehicle is given to the University. The same records and reports are created and the provisions of this Guide Memo apply.
- d. **Acquisition through Surplus Property Sales** – Vehicles may also be acquired through Surplus Property Sales; however, the procedures for replacing or adding a vehicle described in Sections 6 and 7 must be followed. If a department is contemplating buying a University vehicle from Surplus Property Sales, the department should consider that it may be buying a vehicle which another department did not think was worth fixing. The department should consult with the Garage Supervisor and the previous department owner for information on the vehicle's condition. The department should have the consent of the Garage Supervisor before acquiring a vehicle from Surplus Property Sales.
- e. **Transfer** – Intra- or inter-departmental transfers are at the discretion of the department(s) involved. As with a transfer of any other kind of equipment, the department(s) must notify the University Property Administrator and follow procedures set forth in the Property Administration Manual (<http://www.stanford.edu/dept/ORA/upai/toc.html>). To assure proper accounting, the Garage Supervisor must be notified in writing before the transfer. If the vehicle was originally purchased with a loan, the Department of Capital Budgeting and Accounting in the Controller's Office must be notified of the change in ownership. They will make the changes necessary to ensure that the correct department is charged for the remaining loan payments.

4. VEHICLE NUMBER AND REGISTRATION

Regardless of the method of acquisition, each University vehicle is assigned a fleet number and registered in the name of The Board of Trustees of the Leland Stanford Junior University. The number does not change even if a vehicle is transferred to another department. The number is retired when the vehicle is sold. If a department buys a vehicle from Surplus Property Sales, then the vehicle is returned to the garage to have a University decal and the old vehicle number reaffixed.

5. INSURANCE

The University obtains public liability insurance on all fleet vehicles, including those where title is in the name of a government agency, in care of the Board of Trustees. See Guide Memo 28.7, Operation of Vehicles, at http://adminguide.stanford.edu/28_7.pdf. All vehicles owned at the beginning of the fiscal year (September 1) will be insured and the department will be responsible for the cost of insurance.

6. REPLACING A VEHICLE NOW IN THE FLEET

- a. **Replacement Schedule** – As a general guide, a vehicle should be considered for replacement on a five-year or 60,000-mile basis. Low-mileage vehicles, including trucks and vans, should be retained over a longer term.
- b. **Approval for Replacement** – When a department requests a replacement vehicle, the purchase requisition signed by the appropriate dean, department head or other authorized signer constitutes the necessary University approval. See Guide Memo 36, Authorizing Expenditures, at <http://adminguide.stanford.edu/36.pdf>.
- c. **Disposition of Replaced Vehicles** – When the replacement vehicle is received, the vehicle being retired from service must be released by the department to the Fleet Garage. The department initiates the necessary disposal requests through Sunflower Assets and obtains appropriate approvals for disposal of the vehicle, submits a copy of the Sunflower Excess Asset Request, and then delivers the vehicle to Land, Buildings and Real Estate for removal of all University identification.

Land, Buildings and Real Estate retires the vehicle from the University fleet and then sends it to Surplus Property Sales to be sold. The portion of the proceeds representing return of capital is credited to the University account that financed the purchase. Any gain from the sale is credited to the purchase price of the newly acquired vehicle, or to the department if the vehicle is not replaced.

If the vehicle was originally purchased with a loan, the Department of Capital Budgeting and Accounting in the Controller's Office must be notified of the sale. They will make the changes necessary to ensure that the remaining loan payments are properly charged.

7. ADDITIONS TO THE FLEET

A department may at its discretion add to its complement of vehicles, and thus to the University fleet. As with a replacement, the purchase requisition must be signed by the appropriate dean, department head or other authorized signer.

8. ACQUISITION RESPONSIBILITIES

The requesting department, the Fleet Garage Supervisor, the Controller's Office and Procurement all take part in the acquisition of a motor vehicle, including golf cart-type vehicles.

The acquisition process:

- a. **The Supervisor of the Fleet Garage** – Provides advice on mechanical specifications and provides cost estimates using price lists negotiated by the University. At the time of delivery, he/she inspects vehicles to ensure that specifications are met, assigns an SU fleet number and instructs the Paint Shop to apply a Stanford University logo on the vehicle.
- b. **The Requesting Department** – Screens the capital equipment inventory lists, prepares an online requisition, and forwards specifications and price estimates (see 8.a above) to Procurement. The Garage Supervisor should be included as an FYI on the requisition's electronic routing slip.
- c. **Controller's Office** – Administers University financing.
- d. **Procurement** – Provides names of suppliers, negotiates price, terms and delivery, and purchases the vehicle after specifications review by the Supervisor of the Fleet Garage.

9. INVENTORY RESPONSIBILITIES

Every vehicle acquired by any department must be delivered to the Fleet Garage for inventory and a Stanford vehicle number assignment before a department uses it. The Fleet Garage Supervisor is responsible for tagging each vehicle with a Stanford University property tag. The department is responsible for entering the necessary information into the Sunflower Assets system.