8.4.1 VEHICLE ACQUISITION, OWNERSHIP AND DISPOSITION

Last updated on: 08/11/2014

Formerly Known As Policy Number:
85.1
This Guide Memo discusses the administrative procedures for acquisition, ownership and disposition of University vehicles. Additional information is available at vehicles.stanford.edu [1].

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

Applicability:
Applies to all motor vehicles, boats, golf cart-type vehicles and trailers owned, leased or otherwise acquired by the University ("University vehicles").

Exception: Government-owned SLAC National Accelerator Laboratory (SLAC) vehicles are covered under a separate SLAC policy. Except for Section 6, "Insurance," SLAC vehicles are exempt from this policy.

1. Use of University Vehicles

University vehicles may be used only in connection with official University activities. See Guide Memo 8.4.2 [2]: Vehicle Use.

2. Administrative Responsibilities

a. Academic or Administrative Organization
The academic or administrative organization ("organization") acquiring the vehicle is responsible for:

" All charges associated with the vehicle, including loan or lease payments, maintenance, repairs, fuel, insurance, DMV fees, fines and penalties. Exception: Fines and penalties for infractions of the law are the personal responsibility of the driver. See Guide Memo 8.4.2 [2]: Vehicle Use.

" Identifying a fleet manager in the organization ("local fleet manager") who will ensure compliance with this Guide Memo and with Guide Memo 8.4.2 [2]: Vehicle Use.

b. Local Fleet Manager
The local fleet manager is responsible for:

" Ensuring that the vehicle is properly operated and maintained.
c. Fleet Garage
The Supervisor of the Fleet Garage ("Garage Supervisor") is responsible for:

- Developing and maintaining a list of vehicle-selection criteria, including minimum standard safety features, prohibited luxury features and sustainability considerations, and making the list readily available to local fleet managers and other Stanford community members. This list is maintained at vehicles.stanford.edu [1].
- Developing specifications for each vehicle procurement request (see Section 4.c).
- Processing Department of Motor Vehicles Registration Certificates for all street-legal vehicles.
- Performing or supervising the maintenance and repair of vehicles, including recall notices (see Section 7).
- Notifying the organization of charges for maintenance, repairs, fuel, insurance, DMV fees, fines and penalties.
- Keeping accurate records in the LBRE maintenance management record-keeping system of vehicle inventory information, contact information, preventive maintenance schedules, repairs, recalls and all vehicle-related charges to academic and administrative organizations.
- Assisting in the vehicle disposal process (see Section 9).

d. Purchasing
The Purchasing Office negotiates prices for, issues purchase orders for and purchases vehicles costing more than $25,000 on receipt of an organization's requisition that meets the requirements of Section 4.

e. Risk Management
Risk Management handles insurance matters for University vehicles.

f. Controller's Office
The Controller's Office administers University financing for vehicles.

g. Property Management Office (PMO)
PMO provides inventory tools and assists with vehicle disposal.

3. Vehicles Acquisition Methods
A University organization may acquire a new or used vehicle using any of the following methods:

a. Acquisition with University Funds
Vehicles may be purchased or leased with regularly budgeted general funds, as with any purchase of capital equipment. If a purchase is financed, University policy requires that the purchase price be amortized over the useful life of the vehicle. See Guide Memo 5.2.1 [3]: Financing of Purchases.

b. Acquisition with Government Funds
Vehicles may be acquired with funds provided by a U.S. government contract or grant if its terms permit. The procedures in Section 4 apply.

c. Acquisition by Gift
Vehicles may be given to the University. The organization must record the donation in the Sunflower Assets System. See Guide Memo 4.2.3 [4]: Records of Donated Equipment.

d. Acquisition through Surplus Property Sales
Vehicles may be acquired through Surplus Property Sales using the procedures in Section 4.

e. Transfer
Transfers within or between academic and administrative organizations are at the discretion of the organization(s) involved. They may also occur when one organization releases a vehicle to the Fleet Garage that meets another organization's needs (see Section 9.b.1).

4. Vehicle Acquisition Process

a. Business Purpose for Vehicle
Each vehicle acquired shall meet a valid University business purpose. Valid University business purpose for acquiring golf cart-type vehicles is limited to: 1) transporting personnel, equipment or supplies on campus for University purposes; 2) transporting employees or students with temporary or permanent disability-related needs; or 3) transporting members of the Stanford community using 5-SURE Security Escorts.

b. Replacement Schedule
As a general guide, a vehicle should be considered for replacement on a seven-year or 60,000-mile basis, whichever comes first. Medium- and heavy-duty vehicles, as defined by the California Health & Safety Code, may be retained over a longer term.

c. Development of Specifications
Each organization considering the acquisition of a vehicle must provide the valid business purpose for the vehicle to the Garage Supervisor. The Garage Supervisor provides mechanical specifications based on the business purpose and provides a cost estimate.

d. Requisition
To purchase or lease a vehicle not owned by the University, the requesting organization prepares an online requisition that includes the following approvers: 1) the Garage Supervisor; and 2) the appropriate dean, department head or other authorized signer. If the total cost of the vehicle exceeds $25,000, the requesting organization forwards the specifications and price estimates prepared by the Garage Supervisor to Purchasing, which issues a purchase order for the vehicle. See Guide Memo 5.3.1 [5]: Requisition Processing.

e. Suitability of Surplus Vehicles
If an organization is contemplating acquiring a University vehicle from Surplus Property Sales, the organization should consult with the previous local fleet manager and the Garage Supervisor for information on the vehicle's condition, and should have the consent of the Garage Supervisor before acquiring the vehicle. If the vehicle is suitable for use, an interdepartmental transfer takes place. The acquiring organization compensates Surplus Property Sales for any expenses it has incurred.

f. Preference for Electric and Alternative-Fuel Vehicles
The Fleet Garage recommends electric and alternative-fuel vehicles whenever possible. Before purchasing an electric vehicle, the organization should contact LBRE/Parking & Transportation Services (PTS) and University Architect/Campus Planning & Design (UA/CPD) to determine the location of the nearest charging station.

g. Reducing Number of Vehicles
Organizations with multiple vehicles should explore the feasibility of placing them in an organization-wide motor pool to reduce their number of vehicles. Organizations with limited need for vehicles may establish an account with the car-sharing company on campus or may collaborate with neighboring organizations to establish regional motor pools. The Fleet Garage can assist with the establishment of motor pools.

5. Placing a Vehicle Into Service

Every vehicle acquired by any organization must be delivered to the Fleet Garage before the organization uses it.

a. Registration

All street-legal vehicles, including street-legal golf cart-type vehicles, must be registered with the DMV. Vehicles are registered at the dealership in the name of The Board of Trustees of the Leland Stanford Junior University and using the address of the Fleet Garage. The Fleet Garage will assist in registering vehicles purchased outside of California. **Exception:** Vehicles purchased with government funds and for which the sponsor retains title are registered in the name of the government agency that supplied the funds, in care of the Board of Trustees.

b. Inspection

The Garage Supervisor inspects the vehicle to ensure specifications are met. If the vehicle is used, the Garage Supervisor determines whether it needs any immediate maintenance.

c. Inventory

The Garage Supervisor assigns the vehicle a University fleet number and tags the vehicle with a Stanford University property tag. The Garage Supervisor enters the fleet number and property tag number into the LBRE maintenance management record-keeping system. When the organization receives the vehicle, it enters the fleet number and property tag number into the Sunflower Assets system. If the vehicle is transferred to another organization within the University, the fleet number and property tag number do not change. The organization receiving a transferred vehicle updates the numbers in the Sunflower Assets system. The numbers are retired when the vehicle is disposed of.

d. Sign

The Garage Supervisor instructs the Sign Shop to apply a Stanford University logo and, where applicable, the name of the organization on the vehicle. This is the only sign permitted on the vehicle; others will be removed at the organization’s expense. **Exceptions:** Specialized markings are permitted on Marguerite shuttles and Department of Public Safety vehicles. The Garage Supervisor may authorize additional exceptions.

6. Insurance

Risk Management immediately obtains public liability insurance on all newly acquired University vehicles, including those where title is in the name of a government agency, in care of the Board of Trustees. **Exception:** Stanford’s Marguerite shuttle buses are insured by the shuttle service provider. Insurance policies are renewed for all vehicles owned at the beginning of the fiscal year (September 1), and the organization is billed accordingly.
7. Maintenance

a. Role of Fleet Garage
The Fleet Garage performs or approves all maintenance and repairs for University vehicles that are regularly housed within 15 miles of campus. The organization must get written approval in advance from the Fleet Garage to use another service provider. When approved to use another service provider, the organization must ensure the maintenance is performed in a timely manner and provide the Fleet Garage with written records of the maintenance within one week of its completion. The Fleet Garage provides maintenance guidelines for vehicles serviced off campus, including all vehicles housed more than 15 miles from campus.

b. Preventive Maintenance
Organizations must ensure that internal combustion vehicles receive preventive maintenance inspections every four months. Organizations must make electric vehicles available in the field for monthly inspections and ensure that they receive annual preventive maintenance inspections at the Fleet Garage. The Fleet Garage notifies the organization of required periodic preventive maintenance appointments.

c. Other Maintenance
The organization must keep its vehicles clean. Body damage must be repaired promptly by making arrangements with the Fleet Garage.

d. Disabled Vehicles
If a vehicle becomes disabled, the organization must notify the Fleet Garage immediately.

e. Recalls
The Fleet Garage receives manufacturers’ recall notices and notifies the organization of recalls. The organization must make arrangements with the Fleet Garage to have recalls addressed.

f. Consequences of Failure to Maintain
If the organization fails to have maintenance or repairs performed on a vehicle after a second notice from the Fleet Garage, the Fleet Garage may retrieve the vehicle from the organization to perform the maintenance or repairs.

8. Fuel

a. Gas and Oil
Whenever possible, organizations should obtain gas and oil for University vehicles at the University’s service station at the rear of Bonair Siding. If a University vehicle is taken on an extended business trip, gasoline credit cards may be issued on the authorization of the Director of Operations (Buildings and Grounds Maintenance).

b. Electric Vehicle Charging Stations
PTS, in coordination with the UA/CPD, is responsible for identifying appropriate locations for charging stations and their installation. New facilities should identify locations for vehicle-charging stations during planning.
9. Disposition of Vehicles

a. Disposition Process
An organization disposing of a vehicle must process an Excess Request in the Sunflower Assets System and deliver the vehicle to the Fleet Garage. PMO processes the Excess Request and the Fleet Garage updates the LBRE maintenance management record-keeping system according to the ultimate disposition method for the vehicle.

b. Disposition Methods

1) Transfer Within the University
If the vehicle is roadworthy and is expected to have sufficient useful life remaining to benefit another organization, the Garage Supervisor examines vehicle acquisition requests to see if the vehicle meets another organization’s needs. If the Garage Supervisor is able to arrange a transfer of the vehicle, he or she notifies PMO, which ensures that the appropriate Department Property Administrator(s) are notified and the property records updated. PMO also terminates the Excess Request. If the vehicle is leased, the organization must notify the Department of Capital Accounting in the Controller’s Office, which ensures that the remaining lease payments are properly charged.

2) Disposition Through Surplus Property Sales
If the vehicle is roadworthy and is not being transferred within the University, the Fleet Garage retires the vehicle from the University fleet, sends it to Surplus Property Sales to be sold and, upon sale, notifies DMV. The portion of the proceeds representing return of capital is credited to the University account that financed the purchase. Any gain realized by the organization from the sale is credited to the account used in the acquisition of the replacement vehicle, or to the general organization operating account if the vehicle is not replaced.

If an organization acquires a vehicle from Surplus Property Sales, the vehicle is returned to the Fleet Garage to have a University logo and the old fleet number reaffixed. The original property tag remains intact.

3) Scrap
If the vehicle is not roadworthy, the Fleet Garage arranges for it to be scrapped, forwards the appropriate junk slips to DMV and notifies PMO to ensure proper record retirements can take place.

c. Special Cases

1) Government-owned Vehicles
If title to the vehicle is held by a government agency in care of the Board of Trustees, the organization must contact PMO for information on disposal options. See Guide Memo 5.2.4 [6]: Surplus Property Sales.

2) Donated Vehicles
If the vehicle was donated to the University, the organization must contact PMO for information on disposal options. See Guide Memo 4.2.3 [4]: Records of Donated Equipment.

3) Leased Vehicles
Unless a leased vehicle is being transferred within the University, the Fleet Garage returns the vehicle to the lessor and notifies PMO to have the records retired. The organization must satisfy the lease contract terms, including all remaining payments.

4) Vehicles with Active Loans
If the vehicle is under the terms of a University financial loan, the organization must notify the Department of Capital Accounting in the Controller's Office of the disposition. The Department of Capital Accounting ensures that the remaining loan payments are properly charged.


Links