

**PURPOSE:**

The purpose of this policy is to establish guidelines and standards for:

- Vehicle Uses – Municipal, Personal, and Stipends
- Personal Vehicle Use for Work Related Travel
- Municipal Vehicle Assignments
- Commuting and Imputed Tax
- Vehicle Accident Reporting
- Responsibilities When Driving a Municipal or a Personal Vehicle
- Policy Exemptions

**POLICY:**

Town vehicles are not personal vehicles and are not for personal use. Town vehicles should be viewed as belonging to the citizens of the Town and are utilized for the purposes consistent with providing services to those citizens.

**APPLICABILITY**

The entire policy applies to all Town of Upton employees. Employee's whose employment is regulated by individual agreement or collective bargaining agreements are subject only to those portions of this policy that are not specifically regulated by law or agreement.

If any provision of this policy violates any governing law or regulation, or if any law or regulation applicable to this policy becomes effective after the effective date of this policy, then this policy shall be deemed changed to be in compliance with such governing law or regulation.

**DEFINITIONS**

Vehicle Stipend – the amount approved by the governing board to compensate an employee for regular and routine use of Personal Vehicle for work related travel. Vehicle stipends are considered a salary item and as such, are subject to taxation.

Expense Reimbursement – the payment for approved expenses relating to personal vehicle use upon receipt of written documentation. Expense reimbursement is not considered to be a salary item. All reimbursement requests must be submitted on an Employee Reimbursement Form.

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

Personal Vehicle – that vehicle owned or available for private use by the employee.

Commuting – the use of a Municipal Vehicle for travel between the employee's residence and his/her principal work location. Under Internal Revenue Service (IRS) regulations, the benefit of using a Municipal Vehicle for commuting is considered taxable income to an employee and the value of the personal use of the Municipal Vehicle will be included in his or her compensation.

**IMPLEMENTATION PROCEDURE:**

**I. VEHICLE USES**

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

B. Personal Vehicles: It is the policy of the Town to reimburse employees for reasonable expenses which they incur as a result of Personal Vehicle use on behalf of the Town. Receipts and expense reports must be submitted in a timely manner in order for employees to be reimbursed for such expenses.

C. Vehicle Stipend

It is the policy of the Town that in the event an employee is required to use his or her Personal Vehicle on a year round basis, and that employee has not been assigned a Municipal Vehicle, the governing Board may authorize the payment of a Vehicle Stipend. Such stipend may be rescinded with 90-day written notice and will not be paid in combination with personal automobile expense reimbursement.

D. Registering and Insuring a Vehicle

Whenever a new vehicle is purchased and registered, the Town Accountant's office must be notified and appropriate paperwork completed immediately to add the vehicle to the Town's insurance policy.

**II. ADMINISTRATIVE REQUIREMENTS**

**Reimbursement of Work-Related Travel Expenses**

When an employee is authorized to use a Personal Vehicle for work-related travel, he or she shall be reimbursed for mileage at the IRS standard mileage rate, unless covered by contract or stipend. Employees will be notified by the Accounting Department of any changes to the IRS rate.

In accordance with IRS regulations/rulings, the mileage rate is intended to cover, but is not limited to, the cost of fuel, repairs, insurance, all operating costs, and general wear and tear on the Personal Vehicle.

In addition to the mileage rate, the Town will reimburse employees authorized to travel outside of the Town, driving a Personal or Municipal Vehicle, within the scope of employment, for tolls and reasonable parking expenses, when receipts are provided.

Employees receiving a Vehicle Stipend will not be reimbursed for tolls, but may be reimbursed for reasonable parking expenses. Employees will not be reimbursed for tolls that are paid by the employee during his or her normal commute to work.

### **Insurance**

Employees who are authorized to use Personal Vehicles for work related travel are required to show proof to their Department Head, on an annual basis, of the following minimum levels of insurance coverage:

- Bodily Injury: \$100,000/\$300,000
- Property Damage: \$50,000

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

In order to be reimbursed for Personal Vehicle use, employees must complete a Reimbursement Expense Form provided by the Accounting Department and submit the same with appropriate supporting documentation and/or receipts in a timely manner.

### **Imputed Income Taxation**

Employees authorized to commute in a Municipal 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 Town Treasurer/Collector shall be responsible for determining any tax liability and will be provided with the names of all employees authorized to use Municipal Vehicles for commuting purposes, and the normal, one-way commuting distance, each December 1<sup>st</sup>.

Employees who are assigned marked and unmarked police vehicles, and/or Municipal Vehicles that meet eligibility criteria as defined under 26 CFR 1.274-5 will not be subject to imputed income taxation as a result of the vehicle assignment. This includes the Police and Fire/EMS Chiefs.

### **III. EMPLOYEE DRIVING RECORDS**

Employees in the course of their employment on an annual basis may be subject to driving record checks, through the Registry of Motor Vehicles. This is necessary for the Town to appropriately identify potential risk of liability.

A copy of the operator's Massachusetts driving record shall be obtained by the Town Manager/s Office to verify the historical driving record of the operator.

If the operator has an out of state license, then the operator must provide, upon request, a copy of the operator's existing state driving record to the Town Manager's Office. Any out of pocket expense in obtaining a copy of the driving record will be reimbursed by the Town upon submission of a receipt, in a timely fashion.

Driving records shall be reviewed by the Town Manager and/or Department Head.

Driving records determined to be a safety concern by the Town Manager may result in the disapproval of an employee's vehicle use in the course of employment, after consultation with the appropriate Department Head.

#### **IV. ASSIGNMENT OF MUNICIPAL VEHICLES**

Employees are required to have a valid motor vehicle license for the class of vehicle to be operated issued by the Commonwealth of Massachusetts or their state of current residence and must show proof of such valid license to his/her Supervisor or Department Head prior to being assigned a Municipal Vehicle. Prior to the assignment of a municipal vehicle, a copy of the operator's Massachusetts driving record will be reviewed as described in this policy.

The assignment of Municipal Vehicles for 24-hour use will be made by the Town Manager and will only be considered for employees who require a vehicle for the ordinary and necessary discharge of their job functions, as identified in an approved position description provided by the Department Manager and Human Resources Department. The following criteria will be used in the determination of eligibility for 24-hour vehicle use:

- Bona-fide non-compensatory reason that requires commuting in the municipal vehicle;
- Officially designated 24 hour on-call status;
- Requirement for frequent emergency availability during non-working hours;
- Issuance of a pager or other communication device; and/or,
- Emergency or other equipment contained in the vehicle.

The vehicles classified as 24 hour emergency use for the Town of Upton are:

- Police Chief
- Police Lieutenant
- Fire/EMS Chief
- Director of Public Works
- Highway/Parks Supervisor

- Water/Wastewater Supervisor
- Animal Control Officer

All other vehicles should be secured on Town premises at the close of business.

Municipal Vehicle assignments may be rescinded in writing in the discretion of the Town Manager.

## **V. RULES & RESPONSIBILITIES**

Employees who drive a Municipal or Personal Vehicle are responsible for, but not limited to, the following:

- Municipal Vehicles may only be used for legitimate municipal business.
- Individuals assigned a Municipal Vehicle with commuting privileges may make “incidental personal uses” such as stopping at a grocery store or going to the bank, on his/her way home, but only if the stop does not add mileage to the trip. Individuals must keep a log of any such stops.
- Operators should exercise sound judgment at all times when using assigned Municipal Vehicles and should avoid the appearance of misuse.
- The Massachusetts Ethics Code discusses unwarranted privileges. Using public equipment or resources for personal use constitutes use of an official position to obtain an unwarranted privilege not similarly available to others. Misuse of an assigned Municipal Vehicle is an ethics violation.
- Employees who utilize Town vehicles and who are subject to the imputed income tax regulations are required to maintain a log of all miles driven including daily commuting distance, and locations and mileage of all town business and personal business.
- Municipal Vehicles will not be used to transport any individual who is not directly or indirectly related to municipal business. Passengers shall be limited to Town employees and individuals who are directly associated with Town work activity (committee members, consultants, contractors, etc.). Family members shall not be transported in Municipal Vehicles unless there are extenuating circumstances that occur and are documented. Police Officers transporting individuals in the performance of their normal job duties are exempt from this provision.
- The use of Personal Vehicles for transporting individual's unrelated to municipal business shall not occur on town work time.
- Municipal Vehicles shall contain only those items for which the vehicle is assigned.

- The Town shall not be liable for the loss or damage of any personal property transported in the Municipal Vehicle or for any personal property while using their Personal Vehicle for work related travel.
- Employees are expected to keep Municipal Vehicles clean, and to report any malfunction, damage, needed repairs or other vehicle problems to their supervisors immediately.
- Employees assigned Municipal Vehicles for commuting purposes are expected to park such vehicles in safe locations and to lock the car when not in use. Operators should never leave vehicles unattended with the ignition keys in the lock or anywhere in the vehicle.
- Unless expressly exempted by law, employees are to ensure that they and all passenger(s) in a Municipal Vehicle wear seat belts at all times, if the Municipal Vehicle is so equipped.
- All operators of vehicles that require a CDL must be tested for drugs and alcohol as provided by US DOT regulations and the Town's drug/alcohol policy.
- Employees may not operate Municipal Vehicles or Personal Vehicles being used for work related travel, under the influence of alcohol, illegal drugs, or any controlled substances.
- Employees are prohibited from possessing alcoholic beverages or containers, illegal drugs, or controlled substances in a Municipal Vehicle or in a Personal Vehicle being used for work related travel.
- Police Officers who are required to carry prohibited items in performing their normal job duties are exempt from applicable provisions.
- Employees operating a Municipal Vehicle or a Personal Vehicle while on work related travel, must maintain a valid motor vehicle license issued by the Commonwealth of Massachusetts or the state of their current residence, which must be provided upon request by a Supervisor during a specific or periodic license check.
- Employees operating a Municipal Vehicle or a Personal Vehicle while on work related travel, shall drive defensively and obey all applicable traffic and parking regulations, ordinances, and laws.
- Employees who incur parking or other fines/citations while operating or using an assigned Municipal Vehicle or using a Personal Vehicle on work related travel, will be personally responsible for payment of such fines/citations, unless payment of such fine/citation is approved by the Town Manager.
- Employees who are issued citations for any offense while operating or using a Municipal Vehicle must notify their Supervisor immediately when practicable, but in no case later than 24 hours after the issuance of an issued citation.

- An employee who is assigned a Municipal Vehicle and who is arrested for or charged with a motor vehicle offense for which 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 after such arrest or charge has occurred. License suspension or conviction of an offense may be grounds for loss of Municipal Vehicle privileges.
- No employee may use a Municipal Vehicle for out of state use without advance approval of the Town Manager.
- When utilizing a Municipal Vehicle, employees are required to obtain fuel from designated Municipal fueling facilities, unless fueling is required in the course of out of town travel.
- Smoking is not permitted in a Municipal Vehicle in accordance with M.G.L. c270 s22. Those utilizing a Personal Vehicle for work related travel should be considerate of others in the vehicle that do not smoke.

## **VI. CELLULAR PHONES AND HANDHELD ELECTRONIC DEVICES**

The use of cellular phones and handheld electronic devices is prohibited. This prohibition includes the receiving (accepting) or placing calls; retrieving, sending, or responding to text and image messaging, Internet browsing; reading, drafting, or sending emails; checking voice messages, and operating any application installed on cellular phones or handheld devices. In the event of exigent circumstances, employees are expected to keep the call short, use hands-free options if available, refrain from discussion of complicated or emotional matters, and remain focused on the road and driving conditions. Special care should be taken in situations where there is traffic, inclement weather, or the employee is driving in an unfamiliar area.

## **VII. VEHICLE ACCIDENTS**

In the event that an employee's Personal Vehicle is damaged during an approved, work-related trip, and the damage is not due to negligence of the employee, the Town will reimburse the employee to cover the part of the cost of repair, up to a maximum of \$500 or the amount of the deductible, whichever is less, per occurrence. A copy of a police report and evidence of the employee's vehicle insurance deductible (comprehensive or collision) payment shall accompany any request for reimbursement.

When an employee using a Municipal Vehicle or Personal Vehicle on work related travel is involved in a motor vehicle accident, the operator must:

- Stop the vehicle
- Obtain the following information:

- Name(s) and address(es) of the other driver(s);
- Driver's license number(s) of the other driver(s);
- Name(s) and address(es) of the owner(s);
- Registration number(s) of the other vehicle(s) involved;
- Name(s) and address(es) of other driver(s) insurance company(ies); and,
- Name(s) and address(es) of any witness(es) to the accident.
- Do not admit liability for the accident, even if the employee believes it was their fault.
- Immediately report details to the employee's immediate supervisor.
- When any person has been injured and/or when vehicles have suffered significant damage, the local or state police must be called to the scene.
- Do not move the vehicle in these circumstances until authorized by the policy.
- Unless an injury prevents the operator from doing so, he/she must fill out a Vehicle Accident Report within 48 hours of the accident. A blank copy of the form may be obtained from the Accounting office. The completed VAR shall be filed with their direct Supervisor.
- The Supervisor shall ensure all information is in the report and file a copy with the Town Manager's Office.
- The Supervisor shall also file a copy with the Human Resources Department for placement in the employee's personnel file.

### **VIII. SPECIAL CIRCUMSTANCES**

This policy is intended to provide a basic framework governing the use of Personal and Municipal Vehicles in the Town and such cannot contain procedures governing every situation that might arise. Employees seeking clarification of this policy should contact their supervisor or the HR Department. Exemptions from certain provisions of this policy may be authorized by the Town Manager, under mitigating circumstances, after review by the Department Head. Such exemptions must be documented and signed off by the employee (see Attachment A), approved by the Town Manager, and noted by the Human Resources Department, so as to be placed in the employee's personnel file.

### **IX. EXEMPTIONS**

Exemptions to the Vehicle Use Policy are strictly limited. Exemptions that will increase the liability to the Town are not allowed. Issues related to insurance coverage, transportation of individuals unrelated to Municipal business, operating a vehicle without a valid motor vehicle license, are examples of what may not be exempted.

**X. DISCIPLINE**

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

**REGULATORY / STATUTORY REFERENCES:**

List the sources if applicable upon which the policy is based, including related policies or procedures, guidelines, Town Bylaws, State or Federal laws.

**APPROVED BY:**

*Board of Selectmen, Chair:* James A. Brochu

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*Board of Selectmen:* Robert J. Fleming

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*Board of Selectmen:* Gary Daugherty

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**Original date:** .....September 20, 2016

**Revised dates:** .....

## **ATTACHMENT A – EXEMPTION FORM**

Employees seeking an exemption from provisions of the Town's *Vehicle Use Policy* must submit this form to their Department Head for review, and then to the Town Manager who may authorize limited exemptions to this policy under documented mitigating circumstances and in accordance with allowed policy exemptions (see **Attachment C**). This form also gets noted by the Human Resources Department and placed in the employee's personnel file.

Employee Name: \_\_\_\_\_  
FIRST \_\_\_\_\_ LAST \_\_\_\_\_ M.I. \_\_\_\_\_

Department: \_\_\_\_\_ Title: \_\_\_\_\_

List specific policy sections for exemption consideration and indicate why needed (attach additional paper if required):

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Employee Signature: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Reviewed: \_\_\_\_\_ Date: \_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Department Head Signature \_\_\_\_\_ Print Name \_\_\_\_\_

Department Head Approved YES \_\_\_\_\_ NO \_\_\_\_\_ INITIALS \_\_\_\_\_

Town Manager Approved YES \_\_\_\_\_ NO \_\_\_\_\_ INITIALS \_\_\_\_\_

