STATE OF MONTANA
DEPARTMENT OF CORRECTIONS
POLICY DIRECTIVE

Policy No. DOC 1.2.18	Subject: **FLEET VEHICLE OPERATION & MANAGEMENT**
Chapter 1: ADMINISTRATION AND MANAGEMENT	Page 1 of 11 and Attachments
Section 2: Fiscal Management	Effective Date: Dec 1, 1997
Signature: /s/ Mike Ferriter, Director	Revised: 03/26/12

I. POLICY

The Department of Corrections owns and leases motor vehicles for the purpose of conducting Department business. The Department requires all employees to comply with administrative rules, statutes, and policies governing the use and management of motor vehicles.

II. APPLICABILITY

All divisions, facilities, and programs Department-owned and contracted, as specified in contract.

III. DEFINITIONS

Administrator – The official, regardless of local title (division or facility administrator, bureau chief, warden, superintendent), ultimately responsible for the division, facility or program operation and management.

AgileAssets – The designated software program used by State agencies as a fleet management tool to track motor vehicle-related information such as odometer readings, fuel usage, and repairs.

ComData – The current fuel card company selected by the State to fuel agency-owned vehicles.

Corporate Average Fuel Economy (CAFE) – The average fuel economy standard as provided in *49 U.S.C. 32904*.

Exempt Motor Vehicles – Those vehicles approved by the Department director as not required to meet minimum mileage requirements.

Fleet Management Unit (FMU) – A centralized fleet unit located within the Department's Contract Management Bureau, responsible for management of the agency-owned and leased motor vehicles.

Low Mileage Vehicle – A vehicle used less than 10,000 miles per fiscal year.

Motor Vehicle Maintenance (MVM) – The vehicle maintenance facility located on MSP grounds that uses inmate labor to service most MSP and MCE vehicles.

Personal Identification Number (PIN) – A unique number assigned to an individual for use of Department-owned vehicles, or a generic number for use of leased vehicles, used when purchasing fuel or vehicle maintenance items with a fuel card.

Vehicle – A passenger motor vehicle owned or leased by the state that is designed for travel on maintained public roads and subject to motor vehicle registration, the term includes passenger cars, vans, buses, and light duty trucks.

Worksite – The work location designated by the employee's supervisor that includes a state vehicle as an alternative, i.e., "in effect" worksite, depending on position responsibilities and working conditions.

IV. DEPARTMENT DIRECTIVES

A. Authorized Vehicle Use

1. The Department of Administration Risk Management and Tort Defense Division (RMTD) must approve, in advance and in writing, any exception to authorized drivers, passengers, and/or vehicle use as defined in this policy.

2. Authorized drivers of Department-owned or leased vehicles include:
   a. Department employees conducting business on behalf of the state;
   b. authorized passengers relieving drivers due to illness, fatigue, or other physical or mental incapacity;
   c. aides for disabled employees subject to the prior written approval of the Department director; and
   d. independent contractors or temporary employment agency employees contracting with the state when a state employee is not available and subject to the prior written approval of the Department director.

3. Authorized passengers of Department-owned or leased vehicles include:
   a. Department employees, independent contractors, guests, or clients while conducting business on behalf of the state;
   b. aides to employees with a disability with prior written approval of the Department director;
   c. persons rendering or in need of assistance during a medical or other life-threatening emergency;
   d. offenders in transport currently under the care or supervision of the Department; and
   e. nursing infants if the parent is an authorized driver or passenger as provided in *MOM, 03-0101*.

4. Authorized daily vehicle operation includes:
   a. parking a vehicle overnight at the home of a Department employee in order to begin travel the next day;
   b. obtaining food, necessities, and lodging while in travel status;
   c. responding to medical or other life-threatening emergencies; and
   d. conducting after-hours personal business, recreation, or leisure within a 30-mile radius of the Department employee's lodging when required to stay overnight at a location other than the established work location.

5. Requirements regarding use of personal vehicles to travel on behalf of the state include:
   a. employees that require a vehicle must use a Department-owned or leased vehicle unless circumstances justify the use of a personal vehicle, prior written approval is obtained from a supervisor, and the Personal Vehicle Use Authorization form is completed;
   b. employees are not required to use personal vehicles and, in accordance with RMTD insurance agreements, are encouraged to use Department-owned or leased vehicles;

c. if Department-owned or leased vehicles are not available, reimbursement for personal vehicle use will be at the highest current rate determined by *2-18-503, MCA*;
d. if a Department-owned or leased vehicle is available for use and/or the employee requests to conduct personal business while in travel status, reimbursement will be at the lowest current rate determined by *2-18-503, MCA*; and
e. when requesting or approving personal vehicle use, the following criteria apply:
   1) employees assigned a permanent vehicle for commuting will not be approved to use a personal vehicle;
   2) requests will be considered based on vehicle availability and/or the employees' desire to conduct personal business while on travel status; and
   3) employees requesting to use a personal vehicle regularly must obtain annual written approval from the administrator and the Department director.

6. Administrators requiring offender use of state vehicles as drivers must develop procedures authorizing such use and receive prior written approval of the RMTD as required per *ARM 2.6.203*.

B. Prohibited Vehicle Use

1. The following are prohibited while using a Department-owned or leased vehicle:
   a. transporting unauthorized passengers;
   b. personal business use, e.g., shopping, medical appointments, lunch, and recreation when employee is not in travel status;
   c. attending wakes, funerals or bereavement services, unless the deceased was a Department employee killed in the line of duty;
   d. attending retirement functions;
   e. operating a vehicle within 8 hours of consuming or while under the influence of alcohol, illegal drugs, or prescription drugs that affect the person's ability to operate a vehicle safely;
   f. carrying or consuming an alcoholic beverage;
   g. smoking, in compliance with *50-40-104, MCA, Montana Clean Indoor Act*; and
   h. using smokeless tobacco.

C. Disciplinary Actions

1. Supervisors are responsible for monitoring employee vehicle use and taking appropriate disciplinary action for noted violations. Employees who violate this policy, statute, or administrative rules are subject to disciplinary action up to and including discharge as provided in *2-17-421, MCA*.

D. Agreements and Requirements

1. In order to operate a vehicle on behalf of the state, employees must:
   a. complete the Vehicle Use Agreement upon new employee orientation or employee transfer from another state agency and submit the agreement to the Fleet Management Unit (FMU); and
   b. complete and resubmit the Vehicle Use Agreement to the FMU every three years.

2. Driving record checks will be completed in order to ensure employees meet driver requirements specified in statute and administrative rule. In compliance with *61-5-103, MCA*, Department employees possessing out of state driver's licenses must transfer or renew their driver's license in Montana within 60 consecutive days of residency. The FMU conducts motor vehicle driving record checks on employees authorized to operate a motor vehicle according to the following:
   a. on all new employees and employees transferring from other state agencies; and
   b. on five percent (5%) of employees randomly on a quarterly basis.

3. The FMU will report circumstances that indicate an unsafe driver and/or driving record checks that demonstrate an accumulation of conviction points as provided in *61-11-203, MCA* to the Human Resource Bureau for further review, the Human Resource Bureau may restrict persons from driving state vehicles when it is determined that the person may be an unsafe driver.

4. Employees must use installed seat belts at all times and lock the vehicle when left parked.

5. While operating a Department-owned or leased vehicle, employees are strongly encouraged not to use, and must strictly observe local ordinances which prohibit the use of, cellular phones or other mobile electronic devices while driving.

6. Employees using a Department of Transportation (MDT) State Motor Pool (State Motor Pool) leased vehicle must be familiar with the MDT lease packet and all applicable rules and procedures governing vehicle use.

E. Vehicle Accident and Driver Reporting

1. Employees who have an accident while conducting state business resulting in injury or death of any person or property damage shall immediately give notice of the accident to the appropriate law enforcement entity in accordance with *61-7-108, MCA*.

2. An employee who is involved in a vehicle accident or becomes aware of damage or vandalism to a Department-owned or leased vehicle must complete and submit the Report of Incident form to the FMU within 24 hours and notify the State Motor Pool if driving a leased vehicle.

3. An employee involved in an accident in a Department-owned or leased vehicle that results in a claim or a citation will be required to attend a Distractive or Defensive Driving Course and will be subject to a current check of their motor vehicle driving record.

4. In accordance with *ARM 2.6.205* and *61-11-203, MCA*, employees authorized to operate a motor vehicle on state business that accumulate conviction points in a 36-month period must comply with the following:
   a. if 5 or more conviction points are accumulated while driving a state vehicle or a personal vehicle for state business, the employee must report points to a supervisor within 10 days of conviction or forfeiture of bond;
   b. if 12 or more conviction points are accumulated while driving any motor vehicle for any purpose, the employee must report points to a supervisor within 10 days of

conviction or forfeiture of bond and may not operate a motor vehicle for state business until a certified safe driver course approved by the RMTD is completed and written approval to drive from RMTD and the Department director is received;

c. if 15 or more conviction points are accumulated, the employee must complete training and reporting requirements listed above and may not operate a motor vehicle for state business until total points accumulated within a 36-month period are less than 12; and

d. if 18 or more conviction points are accumulated, the employee must complete the training and reporting requirements listed above and may not operate a motor vehicle for state business until 2 years have passed without accumulating conviction points.

F. Permanent Vehicle Assignments

1. An employee may request a permanent vehicle assignment by completing and submitting the Request for Vehicle Assignment to his or her supervisor.

2. The administrator and Department director may approve permanent vehicle assignments consistent with the Department's mission, division or facility operational needs, and other Department and state policies. Per *2-17-425, MCA*, copies of Request for Vehicle Assignment approvals must be submitted to the FMU who will forward the signed copy to the governor's office.

3. Employees approved for a permanent vehicle assignment and employees sharing or benefiting from an employee assigned a permanent vehicle for commuting must submit a State Vehicle Commuting form to Fiscal Bureau to ensure compliance with federal requirements outlined in *26 CFR ss 1.61-21(f)(3)*, and *IRS Publication 15-B (2009), Commuting Rule*.

4. An employee that is approved a permanent vehicle assignment to commute to and from a residence must meet one of the following:
   a. the employee is a Department psychiatrist assigned to the Montana State Prison;
   b. 24-hour vehicle use is specifically authorized by law as an elected or appointed official and vehicle use is part of a compensation package;
   c. the vehicle used is in effect the employee's worksite and the employee is assigned one of the following positions:
      1) field-based Adult Probation and Parole officer;
      2) field-based Youth Parole officer;
      3) investigator assigned to the Investigations Bureau; or
      4) Youth Services Division transportation officer; or
   d. the employee's residence is less than 30 miles from his or her worksite, job duties include on-call responsibilities for quick response to an emergency threatening life or property, employees in the position have responded to more than one emergency calls in the past six months, and the exception is approved by the Department director. If an exception is provided, emergency response records must be submitted to the FMU to forward to the Department director for review biannually.

5. A vehicle is in effect an employee's worksite when at least one of the following apply as necessary to the employee's job requirements and performance of duties:

a. use of a vehicle with safety and emergency response equipment, i.e., police radio, bullet-resistant vest, weapon, first-aid kit, search kit, or security partition;
b. use of a vehicle during alternative work-schedule hours to conduct work functions in a variety of geographic locations and the employee is not required to report to a specific location for assignments or work shifts; or
c. use of a vehicle to meet with, interview, or detain offenders; secure evidence such as contraband seized in performing position duties; conduct offender searches; or investigate Interstate placement, parole, or conditional release plans.

G. Fleet Management Unit (FMU) Responsibilities

1. The FMU is responsible for completing the following tasks:
   a. related to fleet management:
      1) identify vehicles and equipment assigned to each division, facility, and program;
      2) review vehicle-related records to identify low mileage and exempt motor vehicles, optimal fleet size, and cost effective accountability methods;
      3) maintain individual vehicle history including maintenance, repair, and operating costs;
      4) develop and implement routine maintenance schedules;
      5) identify vehicle additions, replacements, or disposals;
      6) ensure vehicles are equipped with Report of Incident forms to report incidents impacting appearance and operation;
      7) annually request and review Vehicle Condition Reports for Department-owned vehicles to determine overall fleet condition;
      8) collect from the designated responsible parties monthly Department-owned vehicle mileage reports which include fuel purchases, number of days the vehicle was used, maintenance, and repairs;
      9) collect from the designated responsible parties leased vehicle monthly information including odometer readings and number of days used and submit to the State Motor Pool;
      10) verify compliance with minimum mileage requirements and notify applicable users of non-compliance issues; and
      11) review fuel transactions to ensure appropriate fuel consumption, resolve billing disputes, and forward questionable fuel transactions to appropriate supervisors for further review and possible investigation.
   b. related to employee vehicle use:
      1) sign and track Fuel Card Use Employee Agreements and oversee fuel card procedures in accordance with *Fuel Card Policy 1-0790.00*;
      2) notify supervisors when an employee is required to attend a Distractive or Defensive Driving Course;
      3) track Vehicle Use Agreements; and
      4) conduct motor vehicle driving record checks.

H. Minimum Mileage Requirements

1. Department-owned and leased vehicles should be driven at least 10,000 miles annually. For vehicles driven less than 10,000 miles in a fiscal year, a Low Mileage Vehicle Exemption form must be submitted to the FMU immediately following the conclusion of

the fiscal year, if a vehicle is driven less than 5,000 miles, written justification not containing any exemption listed in Section IV.H.2 below must be included.

2. The Department director may exempt vehicles from the minimum mileage requirement if three or more of the following conditions are met:
   a. the vehicle is used daily for tasks, e.g., security checks, home visits, pickup/delivery;
   b. the facility cannot access the State Motor Pool or agency vehicles;
   c. liability or safety concerns render using a personal vehicle inappropriate;
   d. storage of specialized equipment in the vehicle is required;
   e. the vehicle is necessary for emergency response;
   f. the vehicle is used to transport offenders;
   g. an employee is not willing to use a personal vehicle for state business;
   h. more cost-effective than reimbursement for use of a personal vehicle; or
   i. the vehicle is used primarily for one of the following:
      1) travel on non-maintained roads;
      2) on facility property for maintenance, construction, or grounds-keeping; or
      3) moving and distributing large items or a large quantity of items.

3. The FMU will forward exemption forms to the Department director annually, vehicles found to be not exempt will be disposed of through the State Surplus Property Program.

I. Vehicle Purchases and Transfers

1. To determine the impact of a new or used vehicle purchase with regard to the overall fleet mileage requirements, all requests for motor vehicle purchases must be submitted to the FMU, regardless of delegated purchasing authority. The FMU will determine if the vehicle is exempt or non-exempt from mileage requirements and forward the request to the State Procurement Bureau (SPB) or return it to the requesting agency as applicable. New vehicles are purchased annually in conjunction with the State of Montana "Requisition Time Schedule."

2. In accordance with *2-17-416, MCA*, new vehicles purchased after January 1, 2008 must meet or exceed the CAFE standard unless an exemption is provided by the Department director and the vehicle meets any of the following conditions:
   a. used primarily in off-road use or for moving and distributing large items or a large quantity of items;
   b. used for maintenance, construction, or grounds keeping;
   c. has a manufacturer-stated seating capacity of more than six persons; or
   d. utilizes alternative fuels.

3. Administrators requesting to retain or acquire an SUV or large utility vehicle (for leased vehicles, a class 04 or class 11 vehicle) must complete and submit a SUV and Large Vehicle Justification form to the FMU. The FMU will forward the request to the Department director to approve or deny the request.

4. The FMU must be notified prior to any transfer of a Department-owned or leased vehicle from one facility to another or from one party to another.

J. Maintenance and Repairs

1. The FMU will send designated responsible parties a Vehicle Condition Report annually to complete and return to the appropriate fleet staff by May 1 to evaluate the current condition of each Department-owned vehicle. Fleet staff located at Montana State Prison (MSP) and Montana Correctional Enterprises (MCE) are responsible for collection and review of reports pertaining to vehicles under respective division responsibility.

2. Vehicle operators must ensure that Department-owned or leased vehicles are clean, mechanically maintained at all times, and not operated with any defect or problem that would prevent safe operation.

3. The administrator, or designee, will assign an individual to ensure non-exempt vehicles have a functional odometer or employ an alternative method for tracking mileage and maintenance.

4. The Department utilizes maintenance intervals consistent with manufacturer's recommendations and has management information systems in place to ensure maintenance is completed as required.

5. Preventive maintenance (PM) is performed on vehicles as a part of a scheduled maintenance program performed at regular intervals based upon manufacturers recommended standards and vehicle driving conditions.

6. Department-owned or leased vehicle repairs, maintenance, and vehicle-related purchases that are not part of a PM schedule or emergency must be pre-approved by submitting a Department-Owned Vehicle Repair form to the FMU or individuals designated at MSP or MCE to maintain the fleet, as applicable, in accordance with the following:
   a. if estimated cost is over $300 and not performed by Motor Vehicle Maintenance (MVM), the form must be submitted to the FMU;
   b. if estimated cost is over $1,000 and performed by MVM on an MSP or MCE vehicle, the form must be submitted to the corresponding fleet staff; and
   c. if estimated cost is over $1,000 and performed by MVM on a vehicle not under the supervision of MSP or MCE, the form must be submitted to the FMU.

7. Emergency repair is permissible if a Department-owned vehicle breaks down after normal business hours, immediate vehicle use is necessary, and a reasonable alternative is not available; the FMU, MSP, or MCE fleet staff, as applicable, must be notified of the repair costs the next business day.

8. The assigned driver or responsible party should contact the dealer and check the vehicle owner's manual before scheduling repairs that may be covered under warranty. Warranty repairs must be performed by an authorized dealer. Warranty repair information must be submitted to the FMU for entry in the AgileAssets database.

9. Vehicle maintenance and repairs conducted by MVM must be entered on a monthly basis into the AgileAssets database by the FMU or a staff member at MSP or MCE licensed as an authorized user of AgileAssets. Vehicle maintenance and repairs not conducted by MVM and not obtained by using a ComData card will be entered to the AgileAssets data base by the FMU.

K. Vehicle Disposal

1. Department-owned vehicles may not be transferred, sold, traded, or otherwise disposed of without written authorization of the Department of Administration, General Services Division, Property and Supply Bureau in accordance with *2.5.701, ARM*.

2. Department vehicles will be disposed of and processed as surplus through the Property and Supply Bureau according to the following:
   a. individuals designated at MSP or MCE to maintain the fleet will manage the disposal of vehicles under respective division responsibility that are wrecked, in need of costly repairs, or stored for parts and will notify the FMU upon removal from operation; and
   b. remaining divisions, facilities, and programs will submit a written request for disposal to the FMU.

L. Insurance Coverage

1. The Department will consider age, use, and retail value of vehicles when determining liability or comprehensive/collision coverage.

2. Employees approved to use a personal vehicle for Department business must use personal insurance coverage and are responsible for deductibles and co-insurance payments.

3. The Department will participate in the RMTD Automobile Insurance Premium Discount Program by completing all requirements and documentation required and ensures that five percent (5%) of Department employees complete defensive driving training sponsored or approved by RMTD on an annual basis.

M. Fueling Cards

1. Employees authorized to operate a state vehicle must read the *MOM Fuel Card Policy 1-0790.00* and sign the DOC Fuel Card Use Employee Agreement form acknowledging responsibility for fuel card use before receiving a PIN.

2. A ComData fuel card will be assigned to each vehicle to be used by drivers when fueling a Department-owned vehicle. All Department employees will be assigned a unique PIN (e.g. employee ID) that must be used when fueling vehicles.

3. State Motor Pool vehicles will be fueled using a Wright Express (WEX) fuel card requiring that the driver enter a MDT assigned PIN issued to the vehicle and not a specific PIN issued to the employee. Employees using WEX fuel cards must follow the MDT General Lease Operator Requirements when fueling vehicles or purchasing other vehicle-related items.

4. In compliance with *Fuel Card Policy 1-0790.00* the Department will maintain internal controls on fuel card use which include:
   a. a limited number of transactions during a time period, e.g., day, month, week;
   b. a limited dollar amount per transaction;
   c. a limit on merchant category codes; and
   d. a required odometer reading at the point-of-sale, e.g., gas station.

5. Fuel cards assigned to Department-owned vehicles may only be used for purchases of petroleum products, new tires, tire and tube repair, automated car washes, maintenance items, and labor for services. Vehicles must be fueled using the least expensive grade from self-service pumps. Fuel card receipts for items other than fuel must be submitted monthly to the FMU with the State-Owned Vehicle Monthly Report.

6. Department employees must report fuel cards that are lost or stolen to the FMU.

7. Designated responsible parties will ensure that cards assigned to a vehicle that is transferred, sold, or surplused, will be cancelled immediately.

N. Bulk Fuel Tank Use

1. The Department will use state term contracts in compliance with the *MOM Bulk Fuel Policy 1547* to purchase fuel for bulk tanks, if term contracts are not available, the Department will purchase fuel in accordance with *18-4-304* and *18-4-305, MCA*.

2. The Department will maintain physical and internal controls on bulk tank use including:
   a. installation of a bulk tank fuel dispensing meter and fuel card device;
   b. gates or fencing around bulk tanks to limit access;
   c. reconciling vehicle log books and/or monthly reports against bulk tank transaction logs or ComData monthly transaction statements; and
   d. comparison of the bulk tank fuel gauge against the monthly transaction log or statement.

O. Fuel Transaction Review

1. Fuel transactions will be reviewed monthly and on a random basis to determine appropriateness of transactions in comparison to employee work hours and locations, duties, and normal expenses. Criteria may include date and time of transaction, number of transactions per vehicle and/or employee, merchant and/or location information, and odometer readings.

P. Vehicle Use Reporting

1. In accordance with *2-17-422, MCA*, the Department will maintain operating history records for motor vehicles under control of the Department including the purchase price of the vehicle and the items of expense incurred in the operation of the vehicle. A complete summary of the operating cost and history record of all state owned vehicles must be prepared for each fiscal year.

2. To maintain adequate records, equipment purchased for a vehicle must be reported to the FMU, or entered in the AgileAssets database.

V. CLOSING

Questions concerning this policy should be directed to the appropriate administrator.

VI. REFERENCES

A. Title 2, Chapter 17, Part 4, MCA; 2-18-503, MCA; 18-4-304, MCA; 18-4-305, MCA; Title 19,

MCA; 50-40-104, MCA; 61-7-108, MCA; 61-11-203, MCA

B. Volume 1, Chapter 1-0500; Montana Operations Manual

C. Volume 111, 3-01-1; Montana Operations Manual

D. 1-0500, MOM; 1-0790.00, MOM, 1-0795.00, MOM

E. 2.6.201-214; Administrative Rules of Montana, State Vehicle Use

F. 26 CFR, 1.61-21(f)(3)-Internal Revenue Service Regulation

VII. ATTACHMENTS

Department-Owned Vehicle Repair	PDF
DOC Fuel Card Use Employee Agreement	PDF
Low Mileage Vehicle Exemption	PDF
Report of Incident	PDF
Request for Vehicle Assignment	PDF
Personal Vehicle Use Authorization	PDF
State-Owned Vehicle Monthly Report	PDF
Vehicle Use Agreement	PDF
State Vehicle Commuting	PDF
SUV and Large Utility Vehicle Justification	PDF
Vehicle Condition Report	PDF