

Westfield State University

Policy concerning:

Section Administrative
number 0280
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APPROVED: June 1995

REVISED: February 2016

MOTOR VEHICLE ACQUISITIONS & REPLACEMENTS

PURPOSE

To establish rules and regulations for the acquisition of motor vehicles, replacement of existing motor vehicles, establishing a motor vehicle replacement reserve and budgetary cost centers for the payment of damages.

POLICY

A. GENERAL

- 1.) Vehicles are obtained through purchase, lease, lease/purchase, through state and federal surplus property sources, and through donation.
- 2.) Title is vested in Westfield State University for all vehicles obtained through purchase. Title is vested in Lessor for all vehicles obtained through lease.
- 3.) Acquisitions must be recommended by a division head through the budgetary process and those, which are approved, must be procured in accordance with the University's Procurement Policy
- 4.) Any vehicle acquired by any trust fund shall budget all costs associated with such vehicle including any applicable insurance premium costs in accordance with University Policy #270 Motor Vehicle Insurance Coverage.
- 5.) Board of Trustee Approval
 - a) All vehicle acquisitions must be approved by the University Board of Trustees.
 - b) This approval will be obtained through the budget process except for emergencies.
 - c) Emergency acquisitions will be treated on an ad hoc basis with the approval of the President and notification to the Board of Trustees.
- 6.) Use of all vehicles owned, leased, rented, or operated by the university must adhere to all guidelines set forth in this policy.

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B. ACQUISITION PROCEDURE

1.) Vehicle acquisition is a two-phase action:

- a) The first phase involves obtaining approval from President, Division Vice President or Vice President for Administration and Finance.
- b) The second phase involves the submission of an acquisition document with the trust fund or department budget request. Form D: Individual Memberships/Moving Expenses/Vehicle Acquisition must be submitted with the annual budget request.

C. USED VEHICLE ACQUISITION

1.) Federal or State Surplus

- a) Requests to obtain vehicles from federal/state surplus sources may be submitted if there is a justifiable need and that the cost of acquisition, maintenance and operation will be chargeable against funds available to the department concerned.
- b) Departments will submit requests for approval on Form D: Individual Memberships/Moving Expenses/Vehicle Acquisition utilizing those items on the form, which relate to used vehicles from surplus sources.
- c) Forms may be obtained from the Vice President for Administration and Finance.

D. REGISTRATION

- 1.) Vehicle registration is the responsibility of the Vice President for Administration and Finance. Requests for vehicle registration, renewal or transfer must be accomplished by the concerned department and submitted to the Office of the Vice President for Administration and Finance. All applications for registration must be accompanied by a Request for Motor Vehicle Registration Form.
- 2.) When the Vice President for Administration and Finance receives plates for initial registration, the requesting department will be notified of the arrival.
- 3.) When a registration is to be cancelled, the concerned department will submit the registration, together with the plates, to the Vice President for Administration and Finance. The Vice President for Administration and Finance will forward the transaction to the Registry of Motor Vehicles and for state plates through the Office of Administration and Finance, Motor Vehicle Management Bureau.

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E. REPLACEMENT VEHICLES

- 1.) The same rules and regulations apply to replacement vehicles as to new vehicle acquisitions.
- 2.) A Request for Vehicle Authorization form must be completed.
- 3.) Replacement Age of Vehicles will be determined by a lowest cost of ownership analysis.
 - a) Expected useful life by classification
 1. Passenger Cars 3-5 Years
 2. Mini-Passenger Vans 3-5 Years
 3. Cruisers 4 Years
 4. Physical Plant Trucks 5-7 Years

F. VEHICLE REPLACEMENT RESERVE AND LEASE FUND APPROPRIATION

- 1.) For purchased vehicles
 - a) An annual amount shall be budgeted in a vehicle replacement reserve in order to accumulate the funds necessary to replace vehicles at the end of their useful life expectancy.
 - b) In the year of vehicle replacement, funds will be transferred from the reserve account to the equipment account.
- 2.) For vehicles acquired by Open Ended Leases
 - a) An annual amount shall be allocated to cover the expense of the Open Ended Lease.
 - b) An annual review of the equity position of each vehicle will be completed to project each vehicle's Cost Going Forward (CGF). This CGF will be compared to the cost of a new vehicle to determine whether the current vehicle or a new vehicle will provide the lowest cost of ownership.

G. PAYMENT OF VEHICLE DAMAGE CLAIMS (NON-INSURANCE COVERED)

- 1.) Damage costs to university vehicles shall be paid from the department/trust fund budget to which the vehicle is assigned.
- 2.) Vehicle damage settlement claims costs to non-university vehicles caused by a university vehicle are to be paid from the budget from which the vehicle was purchased or assigned.

REVIEW

This policy will be reviewed annually by the Vice President for Administration and Finance.