



ADMINISTRATIVE DIRECTIVE

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I. PURPOSE

The purpose of this directive is to describe the assignment criteria and administrative policies and procedures for City of Tucson 24-hour Vehicle Assignments.

The directive also describes procedures for authorizing the temporary overnight use of City vehicles (except for overnight use of motor pool vehicles, which is covered by Administrative Directive 6.01-4, City Vehicle Motor Pool).

This directive covers all 24-hour assignments, regardless of funding source (such as those assignments funded by grants to the City), except assignment of vehicles that are owned by other jurisdictions.

II. POLICY

- A. The City Manager, or designee, will authorize 24-hour vehicle assignments as necessary to ensure the efficient and effective delivery of vital services on an after-hours basis, or for other purposes to meet the needs of the City.
- B. Assignments will be authorized only when they benefit the City. Assignments will not be made for the convenience of employees, nor as substitute compensation for any employee.
- C. 24-hour assignments shall be granted only to those employees who must have a 24-hour assignment in order to carry out their assigned job duties.
- D. Insofar as possible, departments shall assign job duties in a manner to minimize the need for a 24-hour vehicle assignment.
- E. Requests for 24-hour vehicle assignments for employees living 20 or more miles from their permanent work site require additional approval of the City Manager, or their designee, on a case by case basis, to determine that such extensive travel in a city vehicle is in the best interest of the city.
- F. Employees shall not use a 24-hour vehicle for personal purposes other than for commuting or de minimis personal use.
- G. Employees are responsible for any tax implications of their 24-hour vehicle assignment.
- H. Any employee driving a City vehicle in violation of the policies and procedures established in this directive shall be subject to disciplinary action and revocation of the 24-hour vehicle assignment.



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III. DEFINITIONS

- A. **24-Hour Vehicle Assignments** – The authorized assignment of City vehicles to specific employees to permit them to respond to after-hours emergencies or meet other City needs.
1. **Individual Assignment** – One employee taking a vehicle home.
 2. **Rotating Assignment** – One vehicle is taken home, but the duty is rotated among the employees included in the assignment.
 3. **Temporary Assignment** – The irregular or short-term assignment of a 24-hour vehicle.
- B. **De Minimis Personal Use** – Any transportation benefit that has so little value that accounting for it would be unreasonable or administratively impracticable. (Refer to Internal Revenue Service (IRS) Publication 15-B, *Employer's Tax Guide to Fringe Benefits*, for specific guidance.)
- C. **Vehicle** – Any City owned, leased, or seized vehicle including, but not limited to, sedans, trucks, vans, and motorcycles. This definition includes vehicles purchased with grants.

IV. RESPONSIBILITIES

- A. The **City Manager**, or designee, has final approval authority for all 24-hour vehicle assignments. However, temporary assignments of three (3) days or less may be approved at the department level.
- B. The **Finance Department's Accounting Services Division** shall determine if an employee's 24-hour vehicle assignment is subject to federal income tax and ensure that any taxable fringe benefits associated with 24-hour vehicle assignments are processed in accordance with IRS regulations.
- C. **Department directors** shall monitor employee use of City vehicles to ensure that the policies and procedures in this directive are followed. Each director shall ensure that:
1. 24-hour vehicle assignments are necessary and thoroughly justified;
 2. Employees assigned a 24-hour vehicle receive and understand the policies and procedures in this directive;
 3. Any authorized 24-hour vehicle assignment that no longer meets the criteria under which it was initially authorized is revoked by the department;



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4. Employee vehicle use is reported quarterly to the Accounting Services Division for all use subject to federal income tax; and
5. Approved 24-hour vehicle assignments are documented on a current roster a copy of which is sent to the City Manager's Office annually and supplemented as changes occur.

D. Employees who are approved for a 24-hour vehicle assignment shall:

1. Provide off-street, overnight parking for the City vehicle at the employee's home.
2. Comply with the operator responsibilities, accident reporting requirements, and other procedures published in Administrative Directive 6.01-1, *Responsibilities Regarding Utilization of City Vehicles*.
3. Not transport non-City employees in the vehicle, except when conducting official City business.
4. Be personally responsible for any traffic citation received while driving a City vehicle, and promptly pay any adjudged fines.
5. Be personally responsible for any tax liability associated with the vehicle assignment and take any tax liability into consideration when completing IRS Form W-4, *Employee's Withholding Allowance Certificate*.
6. Maintain adequate records, if the assignment is subject to federal income tax, to distinguish business use from personal use and to report vehicle usage to the Accounting Services Division on a 24-Hour Vehicle Quarterly Reporting Form (Attachment B). See Section VIII.

V. PROCEDURE FOR REQUESTING 24-HOUR VEHICLE ASSIGNMENTS

- A. Departments shall submit assignment requests annually, on May 1st, to the City Manager, or designee, for review. Approved assignments shall be valid for one year. If a department needs changes during the year, a new request may be submitted. Authorization for these assignments will cover only the balance of the yearly cycle.
- B. Departments shall submit the 24-Hour Vehicle Assignment Request Forms (Attachment A). The responses to the questions on the 2nd page of the form shall include sufficient documentation for the City Manager, or designee, to fully evaluate the request.
- C. For rotating assignments, departments may submit a single memorandum for all employees involved in the assignment in lieu of a separate request form for each



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employee. The memorandum shall list all of the employees involved in the assignment and include the same information and certifications required for an individual assignment.

- D. Undercover police officers do not have to include their name, driver's license number, or employee number on the assignment request form. However, the remainder of the form must be filled out.
- E. The City Manager, or designee, shall review the requests, and indicate approval or disapproval for each request.
- F. The City Manager's Office shall send approved assignment request forms to the Accounting Services Division for their follow-up with the involved employees. Disapproved forms shall be returned directly to the department.
- G. The Accounting Services Division shall review the approved assignment request forms and provide employees who are subject to the IRS reporting requirements with the information and form needed to select an IRS reporting option. Once processed by the Accounting Services Division, the approved assignment request forms shall be forwarded to the department.
- H. Departments shall maintain approved assignment request forms on file and maintain a current roster of 24-hour vehicle assignments. The roster shall include, as a minimum, the employee's name, vehicle number, and type of vehicle assigned. Departments shall provide a current copy of the roster to the City Manager's Office annually or as changes occur.

VI. **CHANGE OR REVOCATION OF ASSIGNMENT**

- A. **Change of Assignment** - Assignment request forms (Attachment A) and department rosters shall be updated whenever:
 - An assignment is transferred to another employee;
 - The employee's job duties change;
 - The assigned vehicle changes (except short term changes, such as for vehicle maintenance or rotation of undercover vehicles); or
 - The employee's home address or permanent work location changes.
- B. **Revocation of Assignment** - A 24-hour vehicle assignment may be revoked at any time by the City Manager or the employee's department director for budgetary or policy reasons, or for any of the following reasons:
 - 1. The employee is involved in two chargeable accidents within a 12-month period while driving a City vehicle;



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2. The employee is cited for two moving violations within a 12-month period while driving a City or private vehicle;
3. The employee fails to comply with the regulations and responsibilities outlined in this directive and in Administrative Directive 6.01-1, Responsibilities Regarding Utilization of City Vehicles; or
4. The employee’s job assignment changes or the conditions that initially justified the vehicle assignment are no longer present.

VII. TEMPORARY 24-HOUR VEHICLE ASSIGNMENTS

- A. Occasional, Overnight Use of City Vehicle** - In order to meet the needs of a department, the department director may authorize an employee to take home a departmental vehicle for up to three (3) consecutive nights.

The department director shall make a separate, written authorization for each temporary vehicle request.

- B. Temporary Assignments Lasting Longer Than Three Days** - The department shall follow the same procedures as for requesting an ongoing assignment. See Section V.

However, a simplified request process that does not require completion of the 24-Hour Vehicle Assignment Request Form may be used if a temporary assignment is needed to address short term emergencies, or assignments that recur on an annual basis. In these cases, such as a police task force to address a specific problem or the “Operation Splash” program to barricade flooded streets during the rainy season, division heads shall send a memorandum to the department director including the following information:

1. A brief description of the need for the assignment,
2. The length of the assignment,
3. The employee’s name, employee number, and home address, division and section, and type of vehicle (e.g., sedan, pickup, emergency fire vehicle, motorcycle, truck with utility body, truck with a gross vehicle weight over 7 tons, van or other type).

The department shall submit the memorandum to the City Manager, or designee, for approval.

- C. IRS Reporting** - Temporary assignments are subject to IRS reporting. See Section VIII.



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VIII. IRS REPORTING REQUIREMENTS

A. General

1. IRS regulations require that if an employee uses the employer's vehicle for personal purposes, such as commuting between home and work, the value of that use must be determined by the employer and included in the employee's wages.
2. The fringe benefit value and any allowable exclusion from income shall be determined by the Accounting Services Division in accordance with IRS regulations.

B. Accounting Division

1. The Accounting Services Division shall provide employees who are subject to the IRS reporting requirements with the information and form needed to select an IRS reporting option and inform employees about the records required to be maintained for the selected reporting option.
2. On a quarterly basis, the Accounting Services Division shall increase the reported gross income of involved employees based on the reported vehicle usage.
3. Accounting Services Division shall also withhold from the employee's pay an amount to cover the FICA deduction for the additional gross income. Currently, no federal or state income tax is withheld on this amount, even though the additional income is taxable.

C. Departments

1. Departments shall report to the Accounting Services Division the involved employees' vehicle use on 24-Hour Vehicle Quarterly Reporting Forms (Attachment B).
2. The employee forms from each department shall be organized by division and submitted to the Accounting Services Division with a transmittal memorandum signed by the department director attesting that the attached forms represent all of the employees who are required to report.

- D. Employees** - Each employee involved shall submit a 24-Hour Vehicle Quarterly Reporting Form and shall maintain adequate records to substantiate the information reported on the form.

24-HOUR VEHICLE – QUARTERLY REPORTING FORM TO MEET IRS REQUIREMENTS

NAME (Please Print or Type)	EMPLOYEE NUMBER	ORGANIZATION/UNIT #	QUARTERLY PERIOD COVERED
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IRS REPORTING METHOD (Options of Valuation)

1. Select one method only.
2. Once selected, a method must be used consistently from period to period.
3. Certain employees can only report with the Annual Lease Value Method. Contact the Finance Department at 791-4561 if you need additional information.

ANNUAL LEASE VALUE	SPECIAL COMMUTING RULE	SPECIAL CENTS PER MILE
Personal Miles _____ Business Miles _____ Total Miles _____	Number of Round Trips _____	Personal Miles _____

I certify that the above is correct based on my personal records.
 I understand that I am responsible for maintaining personal records substantiating the business use of the vehicle as required by IRS regulations.

EMPLOYEE SIGNATURE

DATE

Reporting periods – Usage of Vehicle for:

Vehicle Usage Certificate to Accounting by:

Fringe Benefit Value and FICA Deduction Added:

November and December of previous year and January of Current Year

February 28

2nd Payday of March

February, March, April

May 31

2nd Payday of June

May, June, July

August 31

2nd Payday of September

August, September, October

November 30

2nd Payday of December

Quarterly, the Accounting Division will add the value of the vehicle fringe benefit to gross wages and deduct the appropriate FICA tax. The City of Tucson has elected not to withhold income tax on this benefit. The employee should consider the value of the vehicle fringe benefit in selecting W-4 exemptions.

SUBMIT TO THE FINANCE DEPARTMENT