

University of Florida Foundation, Inc.
UFF-owned Automobiles

Policy #: 5.27
Effective Date: February 1, 2011
Responsible Department: Finance and Accounting

1. **PURPOSE**

To ensure responsible and appropriate use of UFF-owned automobiles.

2. **APPLICABILITY**

All UFF-owned automobiles used by ODAA or UFF Staff.

3. **POLICY**

A UFF automobile is provided to certain employees in order to facilitate their work responsibilities. UFF-owned automobiles should be used at least 50% (based on mileage) for business purposes, primarily in connection with regular donor contact. UFF automobiles should not be used to pull recreational vehicles or for other significant non-business uses. The automobiles are intended for employee use, and it is expected that use by others will be incidental and infrequent.

Employees will be reimbursed for gas used for business purposes. Where gas receipts include personal use of the automobile, the appropriate proportion shall be designated for reimbursement. The portion of the reimbursement the employee receives for the **business use** of an automobile is **not taxable income** to the employee. **Business use** is that portion of the total use of the automobile **primarily related** to the activities of UFF. In order to compute business use, the employee must have adequate records that reflect the number of miles driven for both personal and business use.

Commuting is always a **personal use**, not a business use.

IRS requires that an employee with an automobile furnished by the employer maintain a complete log on the usage of that automobile. IRS may at any time audit an employee's records and require the employee to prove all business mileage. Records should be retained for at least three years from the date of filing the income tax return on which the personal income use of the automobile is reported. The mileage log must contain the following information: date, destination, business purpose, and odometer reading (start, stop, and number of miles). Log books are available from Finance and Accounting.

A monthly mileage summary on the proper form must be submitted to Finance and Accounting by the tenth of the following month. A record of business and total miles driven is maintained by UFF. The monthly mileage summary must be signed and dated by the employee; the original summary should be submitted with a copy of the log book. As required by IRS, UFF reports the value of personal miles driven as income on the employee's W-2.

Employees will be reimbursed for maintenance and repairs on UFF automobiles. Major costs may be billed directly to UFF. The invoice must include the employee's name and the fund number. The employee is responsible for maintaining the automobile specifically according to the manufacturer's suggested schedule, found in the owner's manual. Proper maintenance is important for both performance and personal safety.

UFF encourages responsible use of cell phones and other electronic devices while traveling. It is recommended that all employees use "hands-free" devices with their cell phones, or that they pull over and stop when talking on the phone.

Regular Recommended Service:

- Oil, filters, tires, etc. at the recommended mileage.

After the car is serviced, a dated and signed invoice should be sent to Finance and Accounting unless vendor agrees to bill the Foundation directly.

Repairs or service over \$200, including the purchase of tires, require advance notification to Finance and Accounting.

If a car must be serviced out of town, the staff member should pay the invoice and then submit it for reimbursement.

- As a reflection on the University, vehicles should be kept clean (inside and out).
- The employee should notify Finance and Accounting when the mileage approaches 75,000 miles to begin the process of replacing the vehicle.

Accidents and Other Damage:

- All accidents (even very minor fender benders) and any other damage (e.g. damage from a fallen branch or hail) to a UFF-owned vehicle must be reported to Finance and Accounting immediately. The insurance company will be notified by Finance and Accounting.
- All pertinent information (driver's license, make of car, insurance, etc.) must be obtained if there is another vehicle involved in the accident. The information should be sent to Finance and Accounting.

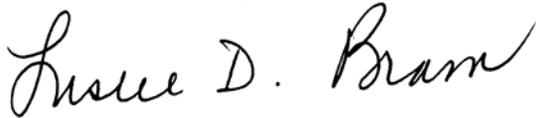
- The insurance company will contact the staff member to set an appointment to review the damage to the vehicle and write an appraisal for the damage.
- Finance and Accounting will notify the repair shop that the staff member will be calling to set up an appointment.
- After the repairs are complete, the staff member should sign the invoice. The repair shop will send the invoice to the Foundation for payment.

At any time, an employee with a UFF-owned automobile has the option of returning the automobile in exchange for a one-time salary increase.

4. **CLARIFICATION**

Requests for clarification of this policy should be sent to the Controller (awest@uff.ufl.edu).

Approved: February 1, 2011



Leslie D. Bram
Associate Vice President

Revision history: Original version