
	ADMINISTRATIVE ORDER	Approved By:	No. 2
		 City Manager	Effective Date: 10/24/2000 Updated Date: 02/11/2020; 02/29/2024
Subject: VEHICLE USAGE POLICY			

It is the policy of the City of Highland Park (the “City”) to provide select employee positions a City vehicle for business use, to allow employees to use personal vehicles for business use, and to reimburse employees for operating personal vehicles for business use according to the following guidelines.

I. Definitions.

Business Use. Use of a Vehicle within the scope of a Driver’s City job duties and responsibilities.

City Vehicle. Any Vehicle owned or leased by the City, including a Rental Vehicle.

Commute. The use of a City Vehicle by a Driver for the sole purpose of transporting the Driver to and from the Driver’s residence and work.

Counties. Use of the vehicle is authorized in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute routes between and Employee’s residence and the City.

Drivers. All Employees who are approved to operate a Vehicle for Business Use pursuant to the Approval Standards set forth in Section III below.

Employee. All full-time, part-time, temporary and seasonal City employees not including Officials.

Fire Vehicle. A City Vehicle primarily intended for use only by Employees of the Fire Department.

Motor Pool. City Vehicles not permanently assigned to an Official, an Employee, or department.

Official. All elected and appointed officials of the City.

Personal Use. Any use of a Vehicle other than Business Use.

Personal Vehicle. Any Vehicle owned or operated by a Driver, except a City Vehicle.

Police Vehicle. A City Vehicle intended for use by Employees of Police Department.

Public Works Vehicle. A City Vehicle intended for use by Employees of the Public Works Department.

Rental Vehicle. A Vehicle rented by an Official or Employee.

Vehicle. Any automobile, motorcycle, or truck.

II. General Guidelines.

A. Qualification of Drivers. Officials and Employees must be qualified at all times to operate a vehicle for Business Use according to the Approval Standards set forth in Section III below. No other individuals are authorized to operate a vehicle, except as authorized by the City Manager.

B. Conditions of Business Use. Officials and Employees who operate a Vehicle for Business Use shall, in addition to meeting the Approval Standards, exercise due diligence to drive safely and to maintain the security of City Vehicles and their contents. Officials and Employees are responsible for any driving infractions or fines that result from their driving or vehicle status and must report them to their supervisors and, if applicable, the City Manager, within 24 working hours of the driving infraction or fine.

C. Incident Reports. Officials and Employees shall file an incident report, using the form available in the City's Employee Handbook, after any accident, theft, damage, breakdown, or mechanical problem involving a City Vehicle under their control, regardless of the extent of damage or existence of injuries. Officials and Employees must also file an incident report after any accident involving a Personal Vehicle operated for Business Use. A police report, if made, shall suffice as the incident report. Each incident report shall be submitted to the Department Director and to the Finance Department Liability Claims Coordinator, detailing the time of the incident, explaining the nature and extent of any damage or injury, and indicating the name of the Driver and passengers riding in the Vehicle. The report shall be submitted as soon as possible but no later than two business days after the incident. Officials and Employees are expected to cooperate fully with authorities in the event of an incident but should not refrain from making any statements other than in reply to the questions of investigating Police Officials, supervisor, Department Director, Human Resources representative or City Manager.

D. Other Vehicle Policies. The director of any department may adopt additional Vehicle usage guidelines or requirements consistent with this policy as may facilitate the proper management and effective operations of the department.

E. City Manager. For the purposes of this policy, the City Manager shall have final approval authority and shall receive all Approvals of Use of a City Vehicle forms, and all incident reports.

III. Approval and Operating Standards.

A. Approval. Officials and Employees who obtain prior approval of either their supervisors or the City Manager may operate a Vehicle for Business Use subject to the Standards of Operation provided in Subsection B. In determining whether any approval shall be granted, the supervisor or the City Manager shall not be obliged to take into account an Official's or Employee's driving record, driver's license status, Personal Vehicle liability insurance coverage as, and eligibility for participation in the City's insurance program.

B. Standards of Operation. At all times following approval as provided in Subsection A, Officials and Employees shall:

1. Not use the City Vehicle for Personal Use other than for Commuting, unless otherwise permitted by this Administrative Order. For purposes of this Section, "Commuting" shall include de minimis Personal Use such as a stop for a personal errand while traveling to/from home and work.

2. Hold a valid state driver's license which permits the legal operation of the type of Vehicle being driven.

3. Inform their supervisor or the City Manager of any changes that may affect their ability to meet these Approval Standards including, but not limited to, reporting when their driver's license is expired, suspended or revoked.

4. Refrain from driving a Vehicle when any physical or mental impairment causes an Official or Employee to be unable to drive safely. This prohibition includes circumstances in which an Official or Employee is temporarily unable to operate a Vehicle safely or legally because of illness, medication or intoxication.

5. Maintain Personal Vehicle liability insurance coverage in an amount equal to or greater than the minimum amount required by law in the State of Illinois whenever operating a Personal Vehicle for Business Use. This subsection shall not apply to the use of Police and Fire Vehicles as provided in Section VIII below.

6. Ensure no other individuals operate the vehicle, except as authorized by the City Manager.

IV. City Vehicles.

A. Assignment Policy. City Vehicles will be assigned by the City Manager to individuals and departments that have demonstrated a continuing need for them. Additional Vehicles will be maintained in a Motor Pool for use as needed for City obligations or City-mandated training or professional conference purposes.

B. Commuting Expenses. Use of a City Vehicle for Commuting may be considered a non-cash fringe benefit per IRS regulations. The value of the Use of a City Vehicle shall be computed by the Official or Employee under the

commuting valuation rule contained in Publication 15-B by the Department of the Treasury (IRS). The Finance Department requests a list of employees who utilize a City vehicle to drive to and from work and the time period in which it occurred from Department Directors each year. The request is issued by December 1 and Department Directors are required to respond by December 10. Exemptions do apply, such as, clearly marked police, fire and public safety vehicles and unmarked vehicles used by law enforcement officers if the use is officially authorized.

V. Insurance.

The City's insurer is deemed primary coverage for third-party liability and third-party property damage claims whenever a Driver is involved in an accident while operating a Vehicle for Business Use. Only a City Official or Employee is authorized to drive a City Vehicle at all times. The City's insurer will cover City employees and other individuals in the vehicle for City purposes. Non-City passengers or passengers not on City purpose in the Vehicle must be covered by an Employee's Personal Vehicle liability insurance or general insurance.

With respect to a Driver's use of a Personal Vehicle for Business Use, the Driver's Personal Vehicle liability insurance shall be deemed to be the primary coverage, and the City's liability insurance shall be deemed to be excess coverage. The City's insurer may subrogate against the Personal Vehicle insurer to obtain reimbursement for any claims paid. Damage to a Driver's Personal Vehicle is not covered by City insurance, and Drivers must bear the cost of any repairs.

VI. Vehicle Allowance Program.

The City may provide a Vehicle allowance to the City Manager or a Department Director. The amount of the allowance and the administration of the program shall be under the direction of the City Manager. Drivers receiving a Vehicle allowance are not entitled to reimbursement for mileage within the Chicago Metropolitan Area.

VII. Reimbursement of Expenses.

A. Reimbursement is subject to the Travel, Training, and Business Expense Reimbursement Policy.

VIII. Specific-Use Vehicles.

A. Full Time Assigned Police Vehicles. Due to the nature of their job responsibilities, the Chief of Police and the Deputy Police Chief each shall be assigned an unmarked Police Vehicle for his or her sole use on a full-time basis. Such vehicles may be used to commute to City-approved training or professional conferences. Such Vehicles may be operated for Personal Use in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute route between and Employee's residence and the City.

B. Other Police Vehicles. Marked and unmarked Police Vehicles, other than the assigned Vehicles referred to in Section VIII.A., that are required to be used by Police Department Employees while on call may be operated for Personal Use. Such Vehicles may be operated for Personal Use in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute route between and Employee's residence and the City. Such vehicles may be used to commute to City-mandated training or professional conferences regardless of location.

C. Full Time Assigned Fire Vehicles. Due to the nature of their job responsibilities, the Fire Chief and the Deputy Fire Chief each shall be assigned a marked Fire Vehicle for his or her sole use on a full-time basis. Such Vehicles may be operated for Personal Use in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute route between and Employee's residence and the City.

D. Other Fire Vehicles. Marked Fire Vehicles, other than the Vehicles referred to in Section VIII.C, which are required to be used by Fire Department Officials and Employees in order to satisfy a City obligation or to respond to a City emergency, and may be operated for Personal Use in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute route between and Employee's residence and the City. Such vehicles may be used to commute to City-mandated training or professional conferences.

E. Full-time Assigned Public Works Vehicle. The Superintendent of Water Production shall be assigned a marked City Vehicle for his or her sole use on a full-time basis, due to an existing benefit. Such Vehicles may be operated for Personal Use in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute route between and Employee's residence and the City.

F. Other Public Works Vehicles. Marked Public Works Vehicles, other than the Vehicles referred to in Section VIII.E, which are required to be used by Public Works Employees in order to satisfy a City obligation or to respond to a City emergency, will be made available for Business Use when such Employees are on call. Such Vehicles may be operated for Personal Use in counties near Lake County, IL, in the county of Employee residence, in counties contiguous to the county of Employee residence, and in counties on the commute route between and Employee's residence and the City.

**CITY OF HIGHLAND PARK
PERSONAL USE OF CITY VEHICLE WORKSHEET**

Calendar Year _____

(To Be Completed for Each City Vehicle Operated During the Calendar Year)

Employee Name: _____

Make/Model of Vehicle: _____

License Plate: _____

Date first available to you during current calendar year: _____

Date last available to you during current calendar year: _____

I hereby affirm that the vehicle provided for my use was used exclusively for purposes of commuting to and from my residence and work. Therefore, I qualify to use the Commuting Valuation Rule for the purposes of determining the amount of taxable fringe benefit included in my gross income:

Number of trips between home and work _____.

Number of trips between work and home _____.

_____ I request the City withhold Federal and State
Income taxes from the taxable amount to be
included in my gross income.

_____ Do not withhold Federal and State Income taxes
from the taxable amount to be included in my
gross income.

I certify that the representations made herein represent complete and accurate information to the best of my knowledge. I understand that it is my responsibility to maintain records of my personal use of City property and that my use of the above vehicle qualifies under IRS guidelines for the valuation method I have elected. I further understand that my representations may be subject to review by the IRS should an audit of City records be conducted.

Signature

Date