



## **Ouachita Baptist University Travel Policy: Passenger Vehicles**

The purpose of this policy is to establish policies and procedures for the use of passenger vehicles for university business including personal vehicles, university-owned vehicles and rental vehicles.

### *Auto Allowances*

Individuals who regularly drive more than 6,000 miles per year on University business may request a monthly auto allowance. The requested monthly amount should be based on historic driving patterns for the individual or expectations for the individual's duties and responsibilities at a rate which approximates the actual operating costs for the mileage. That rate will be reviewed on an annual basis and is \$0.52/mile beginning June 1, 2011.

The auto allowance is taxable unless the individual provides documentation of business mileage equal to or exceeding the allowance. A mileage log or similar documentation must be provided in January to include the previous calendar year. Taxability of the auto allowance will be based on the following:

- If the business miles driven times the established reimbursement rate equals the amount of auto allowance for the year, the entire allowance is non-taxable.
- If the business miles driven times the established reimbursement rate exceeds the amount of auto allowance for the year, the individual may request reimbursement of the excess business mileage.
- If the auto allowance for the year exceeds the business miles driven times the established reimbursement rate, the excess allowance paid is taxable unless the individual repays the excess portion of the allowance.
- If the individual does not report business mileage, the entire auto allowance is taxable.

### *University-Owned Vehicles*

The President will be assigned a university-owned vehicle for business or personal use. Other university-owned vehicles will be available through the motor pool for use by faculty and staff who do not receive an auto allowance. Reservations for pool vehicles should be made in advance and should be only for the period of business use.

Generally, a university-owned vehicle should not be requested for trips of less than 120 miles. Instead, a personal vehicle should be used and the driver may request reimbursement at the established mileage rate. Individuals who receive an auto allowance are expected to drive their personal vehicle for business purposes.

In addition to the vehicles listed above, the university will provide service vehicles for maintenance, building services and campus safety personnel. Generally, these vehicles are intended for on-campus and local use only. The vehicles should not be taken home overnight, except by individuals who are on call or who regularly make call-out trips to the campus after hours. These vehicles should not be driven for personal use except for incidental stops of a personal nature while traveling to and from campus.

University-sponsored grant programs may purchase vehicles from grant funds, subject to grantor requirements, for official business of that program. The vehicles should not be taken home overnight, except by individuals who are traveling on university business the following morning. These vehicles should not be driven for personal use except for incidental stops of a personal nature while traveling to and from work.

#### *Use of University-owned Vehicles*

Only authorized drivers affiliated with Ouachita in the capacity of student, faculty or staff shall be permitted to drive a University vehicle. All drivers of university owned or rented vehicles must be 21 years old and hold a valid U.S. driver's license. Use of a University vehicle is restricted to authorized University related activities.

#### *Vehicle Rental*

The rental of vehicles is discouraged unless it is the most economically viable option. Faculty and staff who travel for Ouachita business on a regular basis but do not qualify to receive an auto allowance are encouraged to use university-owned vehicles when possible (see the previous section). If a university-owned vehicle is not available, a rental vehicle should be obtained only when the total rental cost is less than the cost to reimburse the individual for use of a personal vehicle. It is not necessary to obtain an estimated cost of a rental vehicle prior to using a personal vehicle for OBU business.

Example: Staff A is making a business trip to Little Rock, a 130 miles round-trip. The cost of a rental vehicle is \$40 plus 20 cents per mile for a total of \$66. Reimbursement to Staff A for use of her personal vehicle is \$52 at the established mileage rate. Therefore, the personal vehicle should be used.

#### *Mileage Reimbursement Rate*

The reimbursement rate for business mileage shall be set annually by the Chief Financial Officer, with approval by the President. The rate is set at \$0.40 per mile beginning October 1, 2012.