



ADMINISTRATIVE PROCEDURE

SAN DIEGO UNIFIED SCHOOL DISTRICT

NO: 2510

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CATEGORY: **Fiscal Management, Payments**

EFFECTIVE: **1-29-62**

SUBJECT: **Employee Payment for Use of Personal Car**

REVISED: **3-30-06**

A. PURPOSE AND SCOPE

1. To outline administrative procedures governing payment of employees for use of personal cars for previously approved travel *within* the county when required in performance of regularly assigned duties. This procedure includes rental payment for district rental use of personal vehicles for bulk hauling and storage (Section C.).
2. **Related procedures:**

Absences on district business (reimbursement of expenses)	7155
District insurance and employee liability	7180
District-provided cars for designated employees	7190

B. LEGAL AND POLICY BASIS

1. **Reference:** Board Policy I-2810; Education Code Section 44033.
2. This procedure pertains to matters within the scope of collective bargaining. Contract language within specific collective bargaining agreements on this topic shall prevail over any language to the contrary in this procedure.

C. GENERAL

1. **Originating Office.** Suggestions or questions concerning this procedure should be directed to the Accounting Operations Department, Financial Operations Division, Office of the Chief Administrative Officer.
2. **Eligibility for Mileage Reimbursement.** Management employees are not authorized reimbursement for use of a personal vehicle for in-district travel. Any nonmanagement district employee may claim mileage reimbursement for use of his/her personal car on district business provided the following conditions are met:
 - a. Division/department has requested and received approval of funds for this purpose in adoption of the final budget, and *as long as divisional, departmental, or school funds are available in the controlling budget.*
 - b. Travel with expense reimbursement is *essential* to performance of employee's regularly assigned duties.
 - c. Management employee exercising budget control has approved employee's request for travel with mileage reimbursement, *in advance*, to assure that budgeted funds are available.

3. **Computing Mileage**

- a. In computing school business mileage, starting and finishing points normally shall be the regular headquarters of an employee. In the event an employee (other than a maintenance employee) does not depart from his/her regular headquarters at beginning of the business day or return to that headquarters at end of the business day, he/she shall deduct from the *total mileage traveled* the distance *to and from* home to his/her regular headquarters (commuting).

Example: If total mileage traveled is 30 miles and the distance from home to headquarters is eight miles each way, the allowed mileage equals 14 miles (30 miles less 16 commuting miles = 14 miles eligible for reimbursement).

- b. Maintenance and other itinerant type employees should assume their headquarters is the first and last assignment or work place each day.
- c. Employees who have two separate and distinct assignments scheduled in the same workday, one immediately followed by the next, are eligible for mileage reimbursement between site locations.

Example: Employee is assigned to site "A" from 7:00 a.m. to 11:00 a.m. Employee is assigned to site "B" from 11:30 a.m. to 3:30 p.m. Employee is eligible for reimbursement for miles one way between site "A" and site "B."

- d. Employees who have two separate and distinct assignments, NOT scheduled within the same workday, are not entitled to mileage reimbursement for miles traveled between sites. Each site is considered headquarters and mileage traveled is considered commuting.

Example: Employee is assigned to site "A" on Mondays, Tuesdays and alternating Fridays. Employee is assigned to site "B" on Wednesdays, Thursdays and alternating Fridays. Mileage to/from the employee's home to both sites is considered commuting and is not eligible for reimbursement.

4. **Submission of Expense Reports.** Expense reports should be submitted via the online employee expense module once per month and should include activity for a complete calendar month whenever possible. Paper forms are not accepted.

Final reports for June activity shall be submitted on or before June 30th of each fiscal year to ensure that June expenses are posted to the correct accounting period. Failure

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to submit the report on time will result in the expense being posted to the subsequent fiscal year's budget.

Note: For travel in excess of 100 miles in one day a brief explanation shall be included in the description field of the expense report page for the dates these types of exceptions occurred. (Maintenance, Transportation and School Police employees, excepted).

5. **Rate of Reimbursement.** The rate of reimbursement is the current applicable Internal Revenue Service rate per mile for actual and necessary expenses, as approved by principal/department head.
6. **Expense Reports Involving Weekends or Other Non-Workdays.** Unless assigned to Maintenance, Transportation, or Police services, any employee submitting a mileage expense report involving a weekend or any District break period shall include a brief explanation of his/her need to do district work on that day in the description field of the expense report page where the exception(s) occurred. All conditions in C.2. must be met.
7. **Eligibility for District Rental Payment for Use of Personal Vehicle**
 - a. **In-district hauling and storage of heavy or bulky district-owned materials and/or equipment – designated maintenance employees only.**

Maintenance employees required in the normal course of their regularly assigned duties, and on a continuing 24-hour (daily) basis for extended periods of time (one month or more), to transport and store district-owned tools, equipment, machines, hardware, or other heavy or bulky materials or supplies, are covered by the following:

 - (1) **Maintenance employees covered by the Operations-Support Services collective negotiations contract** shall be eligible for the heavy hauling differential. Such differential shall amount to placement on the step of the salary grade which is approximately 7½ percent above that employee's regular salary. This section became effective August 1, 1985, and shall apply only to designated Maintenance and Operations Department employees. This differential shall continue in effect during vacation, sick leave, and other paid leaves of absence when the aforementioned material and equipment are in the employee's care and custody. No expense report is created or submitted.

(2) **Definitions**

- (a) **Heavy materials**: Objects such as tools, hardware, construction material, machines, equipment and spare parts that collectively weigh a total of 150 pounds or more, and that necessarily are carried and stored in employee's vehicle during off-duty hours to avoid frequent loading or unloading.
- (b) **Bulky materials**: Objects such as lumber, ladders, large tools, and sawhorses, which cannot readily or easily be loaded in an ordinary passenger vehicle and obviously require extraordinary load-carrying capacity such as a small truck or station wagon.

- b. **Maintenance employees' vehicles** may be rented on a \$7 daily rate basis in short-term situations when determined to be in the best interest of the district and approved by the Maintenance and Operations Director. In addition, such employees shall be reimbursed for mileage between two or more locations in the same day at the current applicable Internal Revenue Service rate per mile. Approval by the Maintenance and Operations Director is obtained when the online expense report is submitted. (D.2.).

Temporary hourly maintenance employees qualifying for, and authorized to receive personal vehicle rental payments, are paid on a daily rate basis.

- c. **Special rates for in-district hauling of food and supplies** (food services employees only). Food services employees required in the *normal course* of regularly assigned duties during winter, spring, and summer vacation periods to transport food and related supplies between home school and satellite feeding school, shall be paid a rental rate of \$3 per day for each workday their personal vehicle is so rented. In addition, such employees shall be reimbursed for mileage between two or more locations in the same day at the current applicable Internal Revenue Service rate per mile. Such rental agreements must be approved *in advance* by the Food Services Director. Food Services Department shall provide the Accounts Payable Unit, Accounting Operations Department, with monthly reports of all hauling fees paid. The amount paid to an employee is added to his/her W-2 form, and summary information is provided to the employee at end of the calendar year.

- 8. **Auditable Records.** The following information must be entered into the description field of each day's mileage activity: odometer readings at starting/ending points (don't forget to subtract commuting mileage) and from/to location descriptions. The

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business purpose is input into it's own field on the first page of the report. The comment box on the same page is available for additional explanation, if required.

This information is required to ensure compliance with Internal Revenue Service guidelines. Reimbursement cannot be processed unless complete information is provided.

D. IMPLEMENTATION

1. **Travel With Mileage Reimbursement.**

Employee:

- a. Obtains approval *in advance* from management employee (principal/department head) exercising budget control; budgeted funds *must* be available.
- b. Records actual mileage for each business trip using online employee expense system. Employee may record and save activity through the end of each calendar month, if desired, and then submit an online report, which will route to department head for approval. See Administrative Procedure 7155 for further information regarding business travel.

2. **District Payment for Rental of Private Vehicle.** (Maintenance employees covered by Operations-Support Services Unit collective negotiations contract.)

Department head:

- a. Creates and approves an online PAR form in the PeopleSoft HCM module, for designated employee, indicating in "Comments" section:

"Add 7½ percent heavy hauling differential in accordance with the Operations-Support Unit contract."

Vehicle rental payments must be reported as wages on the employee's personal income tax return. IRS Form W-2, which provides for tax information, is sent to the employee and to IRS approximately 30 days after end of the calendar year.

3. To ensure expenses are recorded in the appropriate fiscal year, expense reports should be submitted no later than June 30 of each fiscal year.

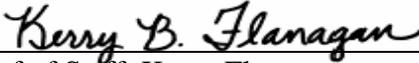
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4. **Accounts Payable Unit, Accounting Operations Department**, audits expense reports that have been appropriately approved to ensure adherence to federal and state regulations as well as this procedure and processes reimbursements to employees.

E. FORMS AND AUXILIARY REFERENCES

F. REPORTS AND RECORDS

G. APPROVED BY



Chief of Staff, Kerry Flanagan
For the Superintendent of Schools