

DCCCD BUSINESS PROCEDURES MANUAL  
9.0 - TRAVEL  
SECTION 9.7.0 - DISTRICT FURNISHED VEHICLES

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**DISTRICT-FURNISHED VEHICLES** **9.7.0**

**GENERAL** **9.7.1**

- A. The Board of Trustees has established that certain employees of the District will be provided automobiles. These automobiles shall be used for the business of the District, and are not furnished for other reasons.
- B. The Internal Revenue Service requires documentation of the non-business use of an employer-furnished automobile on the annual Statement of Wages and Taxes (Form W-2).
- C. This procedure describes how to calculate and record the commuting mileage and other "personal use mileage" of the District-furnished automobile.

**EMPLOYEE RECORD-KEEPING** **9.7.2**

Each employee of the District who is furnished an automobile by the District must maintain accurate and complete records of total commuting and personal mileage on a log. (**Ref. Automobile Mileage Logs, Form #'s 0217 and 0218.**)

- A. An initial mileage reading should be established at the beginning of the calendar year in order to account for total mileage. The ending mileage reading for the calendar year will be recorded as a basis for calculating total mileage.
- B. Commuting mileage may be calculated by determining the number of trips that are made using the same mileage. A determination of a "standard commute" is accomplished by recording the beginning and ending odometer readings for a daily commute and recording it on the log. Total commuting mileage may be calculated by taking a standard work year (260 work days) and subtracting days where a commute was not completed.
  - Examples of work days where a commute was not completed include any compensated time away from work such as vacation, sick leave, bereavement, jury duty, or professional travel. A contemporaneous record of

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these days will provide a much clearer record of commuting.

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**EMPLOYEE RECORD-KEEPING (Continued)**

C. The Internal Revenue Service recognizes **de minimus** personal use as that personal use of an employer-furnished automobile that is incidental to the employee's business purposes. De minimus personal use is not recorded on the log. If minimal use of the automobile exceeds the de minimus definition, it must be logged by listing the beginning and ending odometer reading to calculate the total mileage on the log.

**SUMMARIZING THE LOG(S)**

**9.7.3**

- A. At the end of the calendar year, each employee who has custody of a District-furnished automobile must summarize the logs that have been maintained by adding up the commuting and personal use mileage and calculating the total mileage used during the year.
- B. This Summary must be submitted to the District Accounting Department by January 7th of each year. From the Summary, the District Accounting Department will determine the amount to include on the Statement of Wages & Taxes (Form W-2) for each appropriate employee.

**CALCULATION OF AMOUNTS TO BE INCLUDED ON THE STATEMENT OF WAGES & TAXES (FORM W-2)**

**9.7.4**

The District Accounting Department shall use the detailed procedure for calculating the employee's fair market value of commuting and personal use contained in the Internal Revenue Regulations. These regulations are currently contained in Temporary Regulation (161-2T).