



ADMINISTRATIVE PROCEDURE

BOARD VEHICLES TAKEN HOME BY EMPLOYEES

3545

Procedure No.

April 21, 1986

Date

- I. **PURPOSE:** To comply with Federal law requiring a written policy of no personnel use, except for commuting, for employer supplied vehicles.
- II. **POLICY:** Board of Education Policy Number 3545 Board of Education Vehicles Taken Home by Employees.
- III. **BACKGROUND:** The use of Board Vehicles for commuting purposes is a taxable fringe benefit. Exempted from this interpretation is the use of utility vehicles and vehicles which would not lend themselves to personal use. Certification of non-personal use of an assigned vehicle can be made by the employee and by the employer via a written policy. The commuting fringe benefit will be added to the employee's gross wages and will require appropriate FICA taxes.
- IV. **PROCEDURES:**
 - A. **Monthly Commuting Fringe Benefit**
 1. The employee completes the "Employee Certification" form monthly and forwards it to the Accounting Department. The employee's portion of the completed FICA expense is to be paid regularly.
 2. The Accounting Department records the employee's FICA expense and forwards a copy of the form to the Payroll Department.
 3. The Payroll Department initiates the journal entry to pay the Board's share of FICA. The monthly commuting benefit amount will be accrued annually for each employee submitting forms and the total annual commuting benefit amount will be added to the employee's Form W-2 for the year.
 - B. **Changes**
 1. Changes in round trip commuting mileage will be the responsibility of the employee to maintain currency.
 2. Changes in mileage rate is an Accounting function.
 3. Changes in FICA rate is an Accounting function.



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- V. **RELATED PROCEDURES:** None.
- VI. **MAINTENANCE AND UPDATE OF THESE PROCEDURES:** This procedure originates with the Administration Division and update will be the responsibility of that Division.
- VII. **CANCELLATIONS AND SUPERSEDURES:** None. This is a new Administrative Procedure.
- VIII. **EFFECTIVE DATE:** April 21, 1986

Approved by:
John A. Murphy
Superintendent of Schools

Distribution: All Administrative Handbook Holders