PURPOSE

It is the administrative policy of the City of San Jose that the City Manager may approve a vehicle allowance for members of Senior Staff under the City Manager’s appointing authority. In limited circumstances, the City Manager may authorize use of a City vehicle in lieu of a vehicle allowance.

SCOPE

This policy applies to members of Senior Staff under the City Manager’s appointing authority. Senior Staff currently includes the following classifications:

1. Assistant City Manager
2. Deputy City Manager
3. Executive Assistant to the City Manager
4. Department Director
5. Office Director
6. Director of Communication

POLICY

1. The private vehicle allowance is currently $350 per month and will be treated as income by the Internal Revenue Service (IRS) and will be reported on the employee’s W-2 form.

2. For those who receive a vehicle allowance, the following rules apply:

   a. This allowance is to cover all costs of vehicle transportation used for conducting City business within a 75 mile radius of City Hall. No pool car usage or other travel reimbursement for vehicle usage is to be received except when conducting City business outside a 75 mile radius of City Hall in which case a pool car may be used or mileage reimbursement may be paid. Mileage reimbursement will be granted for miles incurred beyond the 75 mile radius. For example, a round trip to Sacramento is 240 miles, less 150 miles within the radius, an employee will be reimbursed for 90 miles.

   b. Each person must have a valid California Driver’s License and a current City Driving Permit. The proof of a valid California Driver’s License is to be given, on demand, to the City Manager or designee.

   c. Each person must provide proof of insurance by producing a copy of the policy or a statement of insurance coverage showing the policy number, expiration date, and coverage for a minimum of a $300,000 combined single limit for bodily injury and property damage for privately-owned vehicle(s) to be used on City business. The proof of insurance is to be given, on demand, to the City Manager or designee.

   d. Only 4-wheeled motor vehicles shall be used. Motorcycles, motor scooters, bicycles and similar 2- or 3-wheeled mechanical conveyances will not be used unless specifically authorized by the City Manager.

   e. This allowance will be paid regardless of paid absences, except Administrative leave, unless otherwise directed by the City Manager, until separation from the City.

   f. For those persons who begin the allowance option after the beginning of the month or terminate the allowance option before the end of the month, partial payment for that month shall be based on the number of working days the allowance was in effect.

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g. The allowance shall be paid in the payroll check issued on the first payday of the month, following the month for which the allowance was earned.

h. The allowance will be reported annually on W-2 forms as additional income.

PROCEDURES

Senior Staff Member

1. Completes Request for Senior Staff Request for Vehicle Allowance Form and submit to the City Manager for approval.

   NOTE: Signing this request implies compliance with the Conditions listed above.

City Manager

2. Reviews Senior Staff Request for Vehicle Allowance form and:
   a. Approves and returns request to requestor.
   b. Keeps a record of all Managers receiving approval for vehicle allowance.
   c. If request is denied, returns unsigned request to requestor with an explanation for the denial.
   d. Files a copy for City Manager’s records

Senior Staff Member

3. Upon receipt of approved Senior Staff Request for Vehicle Allowance, forwards original to Finance.

Finance Department

4. Implements vehicle allowance.

Approved:

/s/ Julia H. Cooper
Director of Finance
December 17, 2015

Approved for posting:

/s/ Jennifer Schembri
Director of Employee Relations
December 17, 2015