

**COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY**

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Purpose

To establish guidelines for the development, administration and control of the Fleet Management Internal Service Fund (ISF).

Background

In October 1996, the Board of Supervisors established the Fleet Management ISF for General Fund vehicles and mobile equipment. The intended use of the ISF was to accrue vehicle replacement costs prior to the end of its useful service life, on a regular and planned basis.

Policy

It is the policy of the Board of Supervisors that:

1. The Department of General Services is responsible for the administration and control of the Fleet Management ISF.
2. The Department of General Services will maintain an ongoing master inventory of all County vehicles and mobile equipment. The date of a vehicle's activation in the master inventory is to be the date it is delivered fully operational to the user department.
3. The Department of General Services shall annually establish rates or charges for the operations, maintenance and depreciation of vehicles in the ISF; the methodology, the rates or charges and all supporting data to be approved by the Auditor and Controller and provided to the user departments prior to January 1 of each year.
4. Interest earnings will be retained in the ISF.
5. The Department of General Services shall ensure that the rates or charges are sufficient to recover both operating and overhead costs of the services provided for ISF vehicles, including accident repairs.
6. Except as noted below, the Fleet Management ISF will charge user departments a usage rate based on the straight line depreciation of vehicles and mobile equipment in the ISF; the accumulated funds to be placed in an interest-bearing account in the ISF, and used to purchase replacement vehicles and mobile equipment as required.
7. Vehicles and mobile equipment funded with grant funds, donated vehicles, and any other category of vehicle not in the ISF, will not be charged a depreciation rate, but will be subject to all other applicable rates and charges.
8. All proceeds from the sale of salvaged vehicles and mobile equipment in the Fleet Management ISF and all insurance settlements for their damage shall be deposited in the ISF account.

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9. Departments returning a vehicle before it has fully depreciated will not be responsible for further depreciation payments. The Department of General Services will attempt to re-utilize this vehicle within another department. If a department chooses to re-utilize a vehicle, that department will assume all outstanding depreciation payments, fees, and costs associated with maintenance and operation of that vehicle.
10. All maintenance and repair of ISF vehicles and mobile equipment will be provided by or through the Department of General Services; the Department of General Services being authorized to determine when it is more cost efficient to use the private sector for specified maintenance or repair activities.
11. In accordance with the Fleet Manual, all departments must comply with maintenance schedules, including regular preventative maintenance of vehicles. The Department of General Services will review compliance with preventative maintenance schedules on an ongoing basis, and the Director of General Services will notify the appropriate appointing authorities of any non-compliance.
12. The Department of General Services, in conjunction with user departments, will develop five-year plans for replacing vehicles and mobile equipment in the ISF. Priority for replacement will be given based on the following criteria: safety, status of vehicle depreciation, cost of repair or operation, carbon footprint, user department requirements, age, and mileage.
13. The Department of General Services will provide a vehicle utilization report annually to departments. Standard vehicles identified as underutilized will be evaluated for immediate fleet reduction. Underutilized vehicles are defined as those driven less than 10,000 miles annually, or having less than one trip per day average use. Departments electing to retain underutilized vehicles must provide a justification by the director of the requesting department and be approved by the Director of General Services. Unless the Director of General Services grants a time extension, departments must submit justifications within 30 days of receipt of the utilization report.
14. The Department of General Services will prepare, distribute and maintain a Fleet Manual describing the operations of the ISF.

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Responsible Departments

1. Department of General Services
2. Auditor & Controller

Sunset Date

This policy will be reviewed for continuance by 12-31-24.

References

Board Action
06/24/97 (68)
01/28/03 (16)
12/09/08 (33)
06-28-11 (9)
11/14/17 (16)