

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

Subject	Policy Number	Page
Fleet Management Internal Service Fund	H-1	1 of 3

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, which are defined as motorized and self-propelled on- and off-road vehicles, maintenance equipment and related towed equipment, such as trailers and trailer-mounted power units. The intended use of the ISF was to accrue vehicle replacement costs prior to the end of its a vehicle's 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 (DGS) is responsible for the administration and control of the Fleet Management ISF.
2. ~~The Department of General Services-DGS~~ will maintain an ongoing current 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 in a fully operational condition to the user department.
3. ~~The Department of General Services-DGS~~ shall annually establish rates or charges for the operations, maintenance and depreciation of vehicles in the ISF; The Cost Commission shall approve the methodology, the rates or charges and all supporting data ~~to~~. The information shall then be approved by the Cost Commission and provided to all user departments in the Operational Plan Instructions each year.
4. Interest earnings will be retained in the ISF.
5. ~~The Department of General Services-DGS~~ shall ensure that the rates or charges for vehicles in ISF 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~~, Fleet Management will place accumulated funds ~~to be placed~~ in an interest-bearing account in the ISF; and ~~used~~ use the funds to purchase replacement vehicles and mobile equipment as required.

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

Subject	Policy Number	Page
Fleet Management Internal Service Fund	H-1	2 of 3

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~~ damage to the vehicles in the Fleet Management ISF shall be deposited in the ISF account.
9. Departments returning a vehicle before it has fully depreciated will not be responsible for further depreciation payments. The ~~Department of General Services~~ DGS will attempt to re-utilize ~~this vehicle within such vehicles for~~ 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~~ DGS; DGS shall have authority 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~~ DGS will review compliance with preventative maintenance schedules on an ongoing basis, and the Director of ~~General Services~~ DGS will notify the appropriate appointing authorities of any non-compliance.
12. ~~The Department of General Services~~ DGS, 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, ~~alternative fuel vehicle, availability of Zero-Emission Vehicle (ZEV),~~ carbon footprint of vehicle, user department requirements, age, and mileage.
13. During the annual vehicle status report and acquisition planning review with client departments, all gas-powered vehicles performing duties that could be performed by ~~an electric or plug-in hybrid~~ a ZEV vehicle will be identified and referred to as “EV/ZEV Capable” vehicles. If ~~EV/ZEV~~ infrastructure is available at the site where ~~an EV~~ a ZEV Capable vehicle is stationed and the EV/ZEV Capable vehicle is ~~at least 75% fully~~ fully depreciated, that vehicle will be included in the annual list for vehicle replacement.
14. ~~The Department of General Services~~ DGS will provide a vehicle utilization report annually to departments. Standard vehicles identified as underutilized will be evaluated for immediate fleet reduction. Similar to the vehicle annual status report and acquisition planning review

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

Subject	Policy Number	Page
Fleet Management Internal Service Fund	H-1	3 of 3

process, the annual utilization report process will also include identification of ~~EV~~ ZEV Capable vehicles. Underutilized vehicles are defined as those vehicles driven ~~less~~ fewer 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 Group General Manager. Unless the Director of ~~General Services~~ DGS grants a time extension, departments must submit justifications within 30 days of receipt of the utilization report.

15. ~~The Department of General Services~~ DGS will prepare, distribute, and maintain a Fleet Manual describing the operations of the ISF.

Responsible Departments

1. Department of General Services
2. Auditor & Controller

Sunset Date

This policy will be reviewed for continuance by 12-31-~~2024~~ 2031.

References

Board Action
 06/24/97 (68)
 01/28/03 (16)
 12/09/08 (33)
 06-28-11 (9)
 11/14/17 (16)
 10/29/19 (26)
 12/08/20 (25)
10-XX-24 (XX)

