



# Memorandum

**TO:** MAKING GOVERNMENT WORK  
BETTER COMMITTEE

**FROM:** Alex Gurza

**SUBJECT:** TRANSPORT VEHICLE AUDIT

**DATE:** October 14, 2004

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Approved

Date

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## **RECOMMENDATION**

That the Committee defer the follow-up actions related to the transport vehicle audit for thirty days, and direct staff to return to the Committee at its meeting of November 18, 2004, with a final recommended policy.

## **BACKGROUND**

“An Audit of the Utilization and Replacement of the City’s Transport Vehicles” was presented to the Making Government Work Better (MGWB) Committee on June 9, 2004. The report made a series of recommendations regarding the assignment and use of City-owned transport vehicles.

The Administration’s agreed to several recommendations, and proposed that a new policy be established that would clearly define mileage and usage standards, and would consider a number of factors to be used in considering whether to assign City vehicles on a working day basis

The Committee accepted the recommendations and directed staff to improve the City-owned transport vehicle process.

In revising the vehicle policies, staff reviewed its current transport vehicle process and identified additional methods to improve this process, while making the changes recommended by the original audit. Staff has made significant improvements to a new draft policy that is currently under review.

## **ANALYSIS**

Since the Status Report dated September 9, 2004, additional work has been completed on the draft policy related to the use of City-provided vehicles. Because of the large number of stakeholders, completion of the revisions to the vehicle policy has taken longer than anticipated. Staff from the City Manager’s Office has met with General Services and the Auditor’s Office in an effort to incorporate suggestions into the draft policy.

The City Manager’s Office recently sent out the attached revised draft policy to the Auditor’s Office, General Services, user departments, and representatives of the City Labor Alliance for review. Please note that the attached draft policy is still subject to change.

Several of the recommendations provided in the audit report are contingent upon the implementation of the revised vehicle policy. However, staff has improved some of its current practices, as recommended in the report, and the following is an update on these activities:

1. Monitor the use of mileage reimbursement and ensure employees are not exceeding 750 miles per month.

*Status:* The Finance Department has designed and implemented a report from the payroll system that will summarize payments for mileage exceeding 750 miles per month. This report is now sent to the City Manager's Office on a monthly basis. The Finance Department will shortly be distributing a payroll system inquiry report to all departments for internal monitoring of departmental mileage payments.

2. Continue its new vehicle rotation program and formalize it into a policy that applies to all San Jose Police Department (SJPD) vehicles.

*Status:* All SJPD vehicles are now being monitored, with the exception of motorcycles, utilizing a new computer tracking system developed by the Research & Development Unit. Motorcycles are tracked manually to meet agreed upon mileage authorization. This methodology allows the PD's Fleet Manager to identify over- and under-utilized vehicles and allows rotation of those vehicles (conducted each shift change) for optimal utilization and efficiency of the Department's vehicle fleet.

3. Replace unmarked police vehicles, excluding covert vehicles, using the same replacement schedule as the City's General fleet.

*Status:* The Fleet Management Division has applied the 10-year and 100,000 criteria for unmarked police vehicle complements to its revised replacement policy. This change will be reviewed and analyzed periodically to ensure its cost effectiveness and to ensure that it does not negatively impact police operations.

4. Adopt and implement a replacement schedule to replace patrol motorcycles using 4.5 years in service and 60,000 miles.

*Status:* The City has now adopted the recommended patrol motorcycle replacement criteria.

At the November Making Government Work Better Committee meeting, staff plans to present a final recommended policy.

Alex Gurza  
Director of Employee Relations