

**POLICY TITLE:** OFFICE AUTO  
**ORIGINAL EFFECTIVE DATE:** 2000  
**REVISION DATE:** 11/2015, 11/2018, 10/2019

**PURPOSE**

The Company considers the prevention of vehicle accidents essential to the well-being of the employees, company equipment, and the general public. An employee’s attitude, driving habits and road courtesy represent the Company’s image. It is the responsibility of all employees to comply with this policy.

**POLICY**

The policy is in three sections, Company Vehicles, Department of Transportation Commercial Motor Vehicles and Commercial Driver’s License Vehicles and Auto Allowance. Certain employees may only have one of these sections apply to them, in which they will be expected to follow the protocols and expectations that go along with that section.

- I. Company Vehicles
  - A. This section applies to all Company employees who drive a company owned vehicle.
  - B. Pre-Assignment Driver Qualifications
    - 1. Shall be at least 18 years of age.
    - 2. Current valid driver’s license without any current driving privileges suspended or revoked.
    - 3. Review of this Auto Policy.
    - 4. Motor Vehicle Report (MVR) Release Form must be completed and signed.
    - 5. MVR Release Form will be obtained and reviewed.
    - 6. Employee or applicant will not qualify to drive a company vehicle if, during the last 36 months, the individual had any of the following:
      - i. Convicted of a felony.
      - ii. Convicted of an alcoholic and/or drug related offense while driving or refused consent.
      - iii. Convicted of sale, handling or use of drugs
      - iv. Driver’s license suspended or revoked.
      - v. Convicted of three or more speeding violations or one or more major violations.
      - vi. Involved in two or more preventable accidents.
    - 7. If at any time any of the above requirements are no longer met, it shall be the employee’s responsibility to immediately notify the Safety Department of the change(s).
  - C. Motor Vehicle Report (MVR) Evaluation
    - 1. The Company will monitor drivers that operate Company vehicles (yearly at minimum). Violations within the past 36 months will be considered when evaluating.

2. The following grading criteria will be used:
  - i. Safety Department will review all current employees' MVR's and determine whether the individual can continue to drive for the Company.
  - ii. Employee may not have a major violation on their record.
  - iii. Employee may not have more than three (3) minor violations on their record.
  - iv. Employee's ticketed for aggressive driving (road rage), while driving a company vehicle, will be subject to discipline up to and including termination.
  - v. The Company will inform employees or applicants that do not pass requirements as to why. The employee then may request a copy of the MVR.

D. Vehicle Use Rules

1. Prior to operating a company vehicle, all employees must complete and submit a MVR Release Form to the Human Resources/Safety Representative.
2. Employees must maintain a valid driver's license for the type of vehicle to be operated and always have the license in your possession while driving.
3. Employees who drive or ride as passengers in company vehicles are required to use seat belt restraints. It is the driver's responsibility to require all passengers to use the seat belt restraints.
4. All applicable motor vehicle laws shall be observed at all times.
5. The Company may revoke driving privileges and/or seek full reimbursement from an employee for a loss incurring as a gross or willful negligence (see Major Violations below) by the employee, while they are driving on company business.
6. Company vehicles are not allowed to be driven by anyone except the assigned company driver. No family member, spouse or significant other is allowed to drive a company vehicle. This includes other employees who are not authorized by the Company.
7. Company vehicles are not to be driven for personal use nor carry passengers who are not there for company business.
8. The driver is responsible to ensure that all loads are properly secure. Company vehicles are not to tow anything that is not for company business.
9. The driver is not to use cell phones while driving. This includes talking, texting, looking up numbers or maps and any other activity which distracts them from safely operating the vehicle at hand. The use of cell phones through voice activation or a one touch answering device is acceptable, as long as it allows the employee to keep their eyes on the road and traffic conditions allow.
10. Accident reporting kits, issued by the Company's insurance carrier, shall be kept in the glove compartment of each company vehicle.
11. When employee's company vehicle is left unattended, the keys should be removed from all company vehicles.
12. Any violations related to possession of drug and/or alcohol shall be immediately reported to the Company Safety Manager.

E. Maintenance

1. It is essential that company vehicles are properly maintained to assure safe operation. Drivers are responsible that their assigned vehicle gets serviced.
2. Minimum service requirements are as follows:
  - i. Oil change (per owner's manual)
  - ii. All fluids checked
  - iii. Tire inspection (tires are to be rotated per manufacturer's requirements)

- iv. Brake inspection
  - v. All lights checked (front and rear)
  - vi. Windshield wipers checked
  - vii. Air filters and PVC valves
  - viii. Transmission and Transaxle (fluids changed as specified by manufacture)
3. Authorization for company vehicle repairs should be obtained prior to performing the service by the Manager.
- F. Vehicle Appearance
- 1. The appearance and condition of a company vehicle reflects both on the driver and the Company. It is the driver's responsibility to keep the company vehicle clean inside and outside.
  - 2. Stickers must be pre-approved by the Safety Department.
- G. Defining Preventable Accidents, Major and Non-Major Violations
- 1. Preventable Accidents
    - i. Defined as any accident involving a company vehicle, whether being used for company or personal use, that results in property damage and/or personal injury and in which the driver in question failed to exercise every reasonable caution to prevent the accident.
    - ii. Following too close
    - iii. Driving too fast for conditions
    - iv. Failure to yield
    - v. Failure to obey traffic signals, directions or signs
    - vi. Failure to reduce speed
    - vii. Improper turns
    - viii. Improper parking, passing or backing
    - ix. Exceeding the posted speed limit
    - x. Driving While Intoxicated (DWI) or Driving Under the Influence (DUI) or similar charges.
  - 2. Major Violations
    - i. Leaving the scene of an accident
    - ii. Reckless/Careless driving
    - iii. Driving While Intoxicated (DWI) or Driving Under the Influence (DUI) or impaired by alcohol and/or drugs
    - iv. Fleeing and officer
    - v. Vehicle theft
    - vi. Road rage incident
    - vii. Any felony resulting from the use of a motor vehicle
    - viii. Homicide, manslaughter or assault arising out of use of motor vehicle.
    - ix. Driving under suspension or revocation will be grounds for immediate loss of driving privileges.
    - x. Use of vehicle in drug trafficking, reckless homicide, soliciting or unlawful use of weapons will be grounds for termination.
    - xi. Refusal to drug and/or alcohol test will be grounds for termination.
  - 3. Non-Major Violations
    - i. Speeding
    - ii. Failure to signal or yield
    - iii. Improper backing

- iv. Operating a defective vehicle
- v. Failure to pull over for emergency vehicles
- vi. Unpaid parking tickets

#### H. Traffic Violations

1. Fines for parking and/or moving violations are the personal responsibility of the assigned employee to that company vehicle. The Company will not condone nor excuse ignoring traffic and/or parking citations that result in court summons being directed towards the Company as owner of the company vehicle.
2. Each driver is required to report all major violations to the Safety Department within 24 hours of the next business day.
3. Traffic violations that are incurred during non-business hours could affect your driving status and are subject to review.

#### I. Accidents

1. Accidents are to be reported to the employee's supervisor and the Safety Department. Employees are to use to Vehicle Accident Report for documentation. Below are the steps that should be followed:
  - i. Stop immediately and if possible, pull off to the side of the road.
  - ii. Before getting out of the vehicle, put on the reflective vest within the vehicle.
  - iii. Warn other motorists by setting out emergency flares or warning devices.
  - iv. Check for injuries and render assistance only if immediate danger to life and health.
  - v. Call supervisor.
  - vi. Call the police or send someone to call.
  - vii. Do not argue or make statements as to who is at fault.
  - viii. Write the names and addresses of the other motorists involved and all witnesses on the Vehicle Accident Report that is located in the company vehicle glove compartment.
  - ix. Exchange driver and vehicle information, including insurance information with involved parties.
  - x. Take photos of the accident scene and the vehicles involved.
  - xi. Notify the Safety Department before leaving the accident scene. Do not wait until getting home.
  - xii. If injured and it is not a 911 injury, call Medcor at 1-800-775-5866.
2. All vehicle accidents, no matter how minor, shall be reported to the Company's Safety Department.

#### J. Training

1. Defensive Driving courses may be scheduled and/or outsourced on an as needed basis. Should an employee driving a company vehicle incur the following they may be subject to a specialized course:
  - i. Driver had a preventable accident.
  - ii. The Company had received a complaint about a driver's driving habits from the public.
  - iii. Driver with a poor motor vehicle record.
  - iv. Others deemed necessary by Company management.

## II. Department of Transportation Commercial Motor Vehicles and Commercial Driver's License

- A. Commercial Motor Vehicles (CMV) Requirements
  - 1. Drivers operating motor vehicles over 10,001 lbs. must follow the above policy relating to Company vehicles.
  - 2. CMV drivers must carry a valid Department of Transportation Medical Card and ensure a copy gets to the Human Resources/Safety Representative.
- B. Commercial Driver's License (CDL) Requirements
  - 1. Drivers operating motor vehicles or combination truck or trailer over 26,001 lbs. must follow the above policy relating to Company vehicles.
  - 2. CDL drivers operating motor vehicles or combination truck or trailer over 26,001 lbs. must have the proper license and certification to operate.
  - 3. These drivers are considered Department of Transportation (DOT) operators and will be placed in the FMCSA Random drug testing pool.
  - 4. Shall be at least 21 years of age.

### III. Auto Allowance

- A. This section applies to all employees who receive an auto allowance.
- B. Auto Allowance
  - 1. All employees whom receive auto allowance from the Company must follow all applicable requirements contained within this section of the policy.
  - 2. During the course of business hours, auto allowance vehicles are representing the Company and shall be operated in a professional manner.
  - 3. Auto allowance from the Company is provided to each individual for use of the vehicle for business purposes and shall be used for such items as:
    - i. Vehicle maintenance as specified within the vehicle's owner's manual.
    - ii. Insurance within required minimum limits as defined below in "Insurance Requirements".
    - iii. Fuel and other fluids.
    - iv. Any necessary repairs and deductibles.
  - 4. Insurance Requirements:
    - i. The employee shall provide a copy of their current Declarations Page or Certificate of Insurance of their Personal Auto Liability Insurance Policy clearly stating the expiration date of their policy and the minimum required limits listed.
    - ii. Minimum required limits are \$250,000/person, \$500,000/accident and \$250,000/uninsured person.
    - iii. It is not necessary to list the Company as "additional insured".
    - iv. The employee must provide a copy of their Declaration Page or Certificate of Insurance upon renewal or at the time of any changes in insurance to the Human Resources/Safety Representative.
    - v. Failure to follow the requirements for Auto allowance will result in the Company auto allowance to be suspended and/or stopped. Only upon satisfactory evidence that the items within this section are met will the employee receive auto allowance for use of their personal vehicle for business purposes.
- C. Pre-Assignment Driver Qualifications
  - 1. Shall be at least 18 years of age.
  - 2. Current valid driver's license without any current driving privileges suspended or revoked.
  - 3. Review of this Auto Policy.

4. Motor Vehicle Report (MVR) Release Form must be completed and signed.
  5. MVR Release Form will be obtained and reviewed.
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  4. All applicable motor vehicle laws shall be observed when driving. The Company may revoke driving privileges and/or seek full reimbursement from an employee for a loss incurring as a gross or willful negligence (see Major Violations below) by the employee, while they are driving on company business.
  5. The driver is responsible to not use cell phones while driving for company business. This includes talking, texting, looking up numbers or maps and any other activity which distracts them from safely operating the vehicle at hand. The use of cell phones through voice activation or a one touch answering device is acceptable, as long as it allows the employee to keep their eyes on the road and traffic conditions allow.
- F. Defining Major and Non-Major Violations
1. Major Violations
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    - ii. Reckless/Careless driving
    - iii. Driving While Intoxicated (DWI) or Driving Under the Influence (DUI) or impaired by alcohol and/or drugs
    - iv. Fleeing and officer
    - v. Vehicle theft
    - vi. Any felony resulting from the use of a motor vehicle

- vii. Homicide, manslaughter or assault arising out of use of motor vehicle.
- viii. Driving under suspension or revocation will be grounds for immediate loss of driving privileges.
- ix. Use of vehicle in drug trafficking, reckless homicide, soliciting or unlawful use of weapons will be grounds for termination.
- x. Refusal to drug and/or alcohol test will be grounds for termination.

2. Non-Major Violations

- i. Speeding
- ii. Failure to signal or yield
- iii. Improper backing
- iv. Operating a defective vehicle
- v. Failure to pull over for emergency vehicles
- vi. Unpaid parking tickets

IV. Management reserves the right to exercise discretion to assign company vehicles and alter auto allowance as needed.

REFERENCES

Progressive Disciplinary Policy

Office Drug and Alcohol Policy

Travel and Business Expense Reimbursement Policy