



University of
South Australia

MOTOR VEHICLE GUIDELINES

- Application
- Statement
- Definitions
- Overview
- Vehicle Criteria
- Vehicle Categories
- Further Assistance

APPLICATION

The guidelines apply to all staff employed pursuant to a University Industrial Instrument.

GUIDELINES STATEMENT

The guidelines outline the University practices on purchasing or leasing a motor vehicle.

The guidelines ensure that the University is compliant with relevant legislation and meet the current relevant University policies and procedures. The guidelines take into account all costs associated with owning or leasing a vehicle.

DEFINITIONS

Benefits – refers to items provided other than cash salary and wages and may include fringe benefits and superannuation.

Fringe Benefits - refers to benefits provided to employees in addition to their salary or wages but excluding superannuation

Fringe Benefits Tax (FBT) - is the tax on fringe benefits provided by the University to employees as a result of their employment. The tax is payable by the University to the Australian Taxation Office.

Reportable Fringe Benefits - where an FBT liability arises, taxation law requires employers to disclose the value of the benefit provided on an employee's year end Payment Summary (formerly known as a Group Certificate). The employee does not pay tax on the amount disclosed but it is taken into account in determining the employee's liability (where applicable) in areas such as child support, Medicare levy surcharge, HELP and similar. It also is taken into account in determining eligibility for family allowances.

Salary Sacrifice - a voluntary arrangement where an employee elects to forgo future salary and wages in return for the provision of benefits. The amount sacrificed will include any FBT that may be incurred by the University.

Salary Sacrifice Agreement (SSA) - a written arrangement that acknowledges salary sacrifice terms and conditions between the University and employee.

OVERVIEW

Purchasing or leasing a motor vehicle for business and private use must also comply with the relevant University guidelines and procedures in place, including:

- Salary Sacrifice Guidelines and Conditions
- Purchasing and Accounts Payable Procedures
- University Fleet Vehicles
- Transport procedures

VEHICLE CRITERIA

It is recommended that University vehicles when purchased or leased are a Holden, Ford, Mitsubishi or Toyota make, have a four star rating and include the following features:

- Dual front airbags
- ABS brakes
- Side intrusion protection
- Dual fuel

VEHICLE CATEGORIES

Vehicles fall into three categories:

- Tool of Trade;
- Work-Related; and
- Employee Private Vehicles.

Tool of Trade Vehicles

Vehicles in this category are either University Pool Vehicles or vehicles owned or leased by a school or unit.

- Vehicles are restricted to University use only with no private use.
- Vehicles are kept on University premises and logbooks kept to document the exclusive University use.
- Drivers must read and understand the conditions of use provided within the vehicle logbook.
- Drivers must complete all sections of the vehicle logbook before and after each use.
- The Facilities Management Unit will provide a logbook for all vehicles at the beginning of each FBT year (1st April).

(a) University Pool Vehicles

- Vehicles in this category are managed by the Facilities Management Unit.
- For taxation purposes logbooks are required to be kept for five years by the Facilities Management Unit.

For further information please refer to:

University Fleet Vehicles:

[CS - University Fleet](#)

(b) Vehicles purchased or leased by Schools/Units

- Vehicles in this category are managed by the local area.
- The local area must consult with the Fleet Manager, Facilities Management Unit prior to purchasing or leasing a motor vehicle.

- Leased vehicles must be arranged through LeasePlan via the Fleet Manager, Facilities Management Unit.
- The local area is required to certify annually that the vehicle has not been used for private use.
- For taxation purposes logbooks are required to be kept for five years by the local area.
- The cost centre is responsible for the payment of all vehicle costs including car parking.

For further information please refer to:

University Fleet Vehicles:

[CS - University Fleet](#)

Purchasing and Accounts Payable Procedures:

[Finance Unit home page - UniSA Financial Services](#)

Work-Related Vehicles

Vehicles in this category are purchased or leased and managed by the local cost centre.

- These vehicles have a dual purpose of private and University use during business hours.
- Vehicles may also be garaged at employee residences outside of business hours and used on weekends for private use by the employee(s).
- The cost centre manager must be authorised through the Vice Chancellor's Authorisation process to order a motor vehicle.
- Employees must not approve the purchase of a vehicle that they will gain a private benefit from.
- All vehicle purchases must be made through the Finance Unit purchasing system.
- Leased vehicles must be arranged through LeasePlan via the Fleet Manager, Facilities Management Unit.
- Employees are responsible for the payment of any fines incurred.
- The cost centre is responsible for all vehicle and car parking expenses.
- Logbooks are required to document the business and private use of each vehicle. For taxation purposes logbooks must be kept by the local area for five years.
- Drivers must read and understand the conditions of use provided within the vehicle logbook.
- The Facilities Management Unit will provide a logbook for all vehicles at the beginning of each FBT year (1st April).

Work-related vehicles are subdivided into the following two categories:

(a) Employee has private use of University Vehicle

- Vehicles in this category may only be leased.
- The employee will be required to reimburse the University via salary sacrifice for the private use portion. Reimbursement will include notional lease payments, FBT and car parking.
- The employee will be required to advise HR of the expected business/personal use ratio. This will enable the calculation of the salary sacrifice contributions.
- Drivers must complete all sections of the vehicle logbook before and after each use, for three months every five years to confirm the amount of business and private use. It is the employee's responsibility to return the logbook to HR.
- Employees will have a reportable fringe benefit on their Payment Summary.
- During business hours, the vehicle is required as a pool vehicle by the local area.
- Approval from the relevant Executive Director/PVC is required for use when on leave.
- The vehicle must be returned to the University if the employee is on leave without pay.

- The Cost Centre Manager (or authorised person) ensures appropriate authorisations are in place (vehicles must not be authorised by the employee who will have private use of the vehicle).

Lease Process:

- The Cost Centre Manager arranges the lease through the Fleet Manager, Facilities Management Unit.
- The Cost Centre Manager or (authorised person) ensures the employee is aware of the costs and has agreed to reimburse these costs to the University via completion of the salary sacrifice form (which is then forwarded to HR).
- The Facilities Management Unit advises the Salary Sacrifice Officer of a vehicle order and the running costs to be salary sacrificed from the employee's pay.

(b) Various employees have private use of University Vehicle

- Vehicles in this category may be leased or purchased.
- Drivers must complete all sections of the vehicle logbook before and after each use to determine the amount of business and private use.
- There is a taxation requirement to disclose private use and pay FBT.
- The cost centre is responsible for the payment of all vehicle costs including FBT and car parking.
- Employees may have a reportable fringe benefit on their annual Payment Summary.
- During business hours, the vehicle is required as a pool vehicle by the local area.
- The Cost Centre Manager (or authorised person) ensures appropriate authorisations are in place (vehicles must not be authorised by the employee who will have private use of the vehicle).

Purchase/Lease Process:

- The Cost Centre Manager or (authorised person) completes and forwards the purchase order to the Finance Unit, or arranges the lease through the Fleet Manager, Facilities Management Unit.

For further information please refer to:

University Fleet Vehicles:

[CS - University Fleet](#)

Purchasing and Accounts Payable Procedures:

[Finance Unit home page - UniSA Financial Services](#)

Employee Private Vehicles

- Vehicles in this category are either privately owned by the employee or provided to the employee by way of a lease through the salary sacrifice scheme.
- Use of these private vehicles by employees for University purposes should only occur where there is no University Pool Vehicle available or where it is impractical to do so.
- Employees who use their vehicle (whether privately owned or provided through salary sacrifice) for business purposes may claim mileage on a cents per kilometre basis. This is claimed and approved by the University with payment made through the payroll system.
- Senior Staff in receipt of a Business Travel Contribution are not eligible to claim mileage costs through the University.
- Employees with privately owned vehicles may be able to claim a deduction against that reimbursement through their personal income tax return. For those with salary sacrificed vehicles no claim can be made as the vehicle is technically leased by the University. Instead, the reimbursement acts to offset part of the costs charged to the employee's package for the vehicle.

For further information please refer to:
Salary Sacrifice Vehicle Leasing:
[vehicle leasing](#)
HR form for mileage reimbursement:
<http://www.unisa.edu.au/hrm/forms/hris018.doc>

FURTHER INFORMATION OR ASSISTANCE

Purchasing Procedures:

Manager Strategic Procurement: Finance Unit
Rosalie Gillings Phone: (08) 8302 1600
email: rosalie.gillings@unisa.edu.au

University Tool of Trade Vehicles:

Fleet Manager: Facilities Management Unit
Mary Radimissis Phone: (08) 8302 2088
email: mary.radimissis@unisa.edu.au

Salary Sacrifice Vehicle Leasing and mileage reimbursement:

Salary Sacrifice Officer: Human Resource Unit
Sharon Olsson Phone: (08) 8302 1786
email: sharon.olsson@unisa.edu.au

Updated: August 2009