Vehicle Acquisition and Disposal

POLICY

This policy sets forth University requirements regarding the acquisition of vehicles.

In addition to acquisition of vehicles, this policy also establishes responsibilities and procedures that WSU departments must follow to ensure proper inventory tracking, maintenance, and disposal of University vehicles.

Cost/Benefit Analysis

Each department should consider performing a cost/benefit analysis before deciding whether or not to purchase or lease a vehicle. There are a number of options available, including monthly or annual vehicle rental from the Motor Pool. The cost/benefit analysis assists the department with determining which option is the most cost effective.

Figure 1 shows a sample of the Cost/Benefit Analysis form. The department may contact the Motor Pool Director and Purchasing Services to assist with this analysis.

Acquisition

The acquisition of all University vehicles is processed through Purchasing Services (see Definitions). All vehicles with an expected cost over the direct buy limit are bid according to University policy or purchased on state contracts (BPPM 70.10 and 70.13).

License and Title

WSU departments are responsible for obtaining applicable licenses and titles for vehicles, as required by the Washington State Department of Licensing. See Farm Equipment and Heavy Machinery regarding license and title exceptions for farm equipment and heavy machinery. Departments must obtain licenses and titles through Purchasing Services.

WSU departments should refer to SPPM 7.10 concerning vehicle insurance.

Definitions

University Vehicle

For the purposes of this policy, a University vehicle is any vehicle owned by the University or leased by duly-authorized University employees or departments. A University vehicle is used for official University business to transport people or property on roads, highways, waterways, or University property (SPPM 7.10).
Vehicle Acquisition and Disposal

COST/BENEFIT ANALYSIS

COMPARISON OF VEHICLE PURCHASE VERSUS LONG-TERM LEASE THROUGH MOTOR POOL

Contact the Motor Pool for assistance with completing this cost/benefit analysis. See also 70.40.

INSTRUCTIONS

Department-Owned Vehicle

If the vehicle is purchased by the department, the department is responsible for all of the associated costs: purchase price, interest if acquired through financing, license, sales tax, insurance, routine maintenance (including tires), major repairs, and fuel. When calculating operating costs, include the cost of oil changes, manufacturers’ required maintenance, tire replacement, and estimated major repairs at higher mileage. Include the cost of insurance. Contact the Office of Risk Management for current insurance rates. If financing the purchase, include the amount of interest paid annually.

Motor Pool Long-Term Lease Vehicle

If the vehicle is acquired through long-term lease from the Motor Pool, the department pays a flat monthly amount that includes all costs except fuel. The cost of long-term lease vehicles is available on the Motor Pool website at: http://facops.wsu.edu/motorpool/leases.htm

Use the fields and tables below to compare the annual costs of purchasing a departmentally-owned vehicle versus obtaining a vehicle through the Motor Pool’s long-term lease program.

<table>
<thead>
<tr>
<th>Type of Vehicle</th>
<th>Purchase Price</th>
<th>Estimated Miles Per Gallon</th>
<th>Estimated Miles Driven Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full size sedan</td>
<td>$25,000.00</td>
<td>25</td>
<td>20,000</td>
</tr>
</tbody>
</table>

Use the current year average cost per gallon of fuel to calculate the annual fuel costs.

NOTE: Contact Motor Pool for the current average cost per gallon based on average prices in the state of Washington; telephone 335-9085.

<table>
<thead>
<tr>
<th>Estimated Miles Driven Per Year</th>
<th>Estimated Total Gallons Used Per Year</th>
<th>Estimated Annual Fuel Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000</td>
<td>800</td>
<td>$2,304.00</td>
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</tbody>
</table>

Cost of a Departmentally-Owned Vehicle

<table>
<thead>
<tr>
<th>Year</th>
<th>Purchase Price</th>
<th>Interest</th>
<th>License plates/taxes</th>
<th>Insurance</th>
<th>Maintenance</th>
<th>Repairs</th>
<th>Fuel</th>
<th>Total Costs Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25,000</td>
<td>1,039</td>
<td>36</td>
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<td>28,979</td>
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<tr>
<td>2</td>
<td>25,000</td>
<td>917</td>
<td>36</td>
<td>360</td>
<td>650</td>
<td>1,000</td>
<td>2,304</td>
<td>4,231</td>
</tr>
<tr>
<td>3</td>
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<td>36</td>
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<td>4,584</td>
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<tr>
<td>4</td>
<td>25,000</td>
<td>431</td>
<td>36</td>
<td>360</td>
<td>350</td>
<td>1,000</td>
<td>2,304</td>
<td>3,445</td>
</tr>
<tr>
<td>5</td>
<td>25,000</td>
<td>171</td>
<td>36</td>
<td>360</td>
<td>650</td>
<td>1,000</td>
<td>2,304</td>
<td>4,485</td>
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</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Costs Per Vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25,094</td>
</tr>
<tr>
<td>2</td>
<td>11,520</td>
</tr>
<tr>
<td>3</td>
<td>45,724</td>
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</table>

Cost of a Motor Pool Long-Term Lease

<table>
<thead>
<tr>
<th>Year</th>
<th>Lease Payment</th>
<th>Fuel</th>
<th>Total Costs Per Year</th>
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<tbody>
<tr>
<td>1</td>
<td>5,019</td>
<td>2,304</td>
<td>7,323</td>
</tr>
<tr>
<td>2</td>
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<tr>
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<td>5,019</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Costs Per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>25,094</td>
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<tr>
<td>2</td>
<td>11,520</td>
</tr>
<tr>
<td>3</td>
<td>45,724</td>
</tr>
</tbody>
</table>

| Total Cost of Departmentally-Owned Vehicle | 45,724 |
| Total Cost of Motor Pool Long-Term Lease | 36,614 |
| Departmental savings by Using Motor Pool Lease Vehicle | 9,234 |

Figure 1
Vehicle Acquisition and Disposal

Motor Vehicles  Motor vehicles include any vehicle used on public highways, e.g., automobiles, trucks, vans, motorcycles.

Vessels  Vessels include vehicles used on waterways, e.g., houseboats, motor boats, sailboats, jet skis, racing/rowing sculls.

Trailers  Trailers include unpowered vehicles used for transporting vehicles, boats, equipment, or other items.

Aircraft  Aircraft include flying vehicles, e.g., small planes, small jets, helicopters.

Farm Equipment and Heavy Machinery  Farm equipment and heavy machinery include vehicles used in farm or construction operations, e.g., combines, tractors, hay bailers, cranes, backhoes.

NOTE: These vehicles may be used on open roads within 15 miles of the point of departure. If these vehicles travel more than 15 miles on the open road, departments must purchase a Farm Exempt decal with the vehicle license from the Department of Licensing.

The state of Washington does not require titles or licenses for many types of farm equipment and heavy machinery. However, if the acquisition cost is more than $5000, departments must add the equipment and/or machinery item into the University's Property Inventory system. See BPPM 20.50 and Property Inventory.

VEHICLE ACQUISITION  Vehicles may be acquired through purchase, state or federal surplus, lease, or donation. Purchasing Services orders vehicles and establishes contracts for leased vehicles. The department sends an approved Departmental Requisition and the requested vehicle specifications to Purchasing Services.

Departments may not use purchasing cards or Department Orders to acquire vehicles.

New and Used Vehicles  A state contract offering a wide range of new vehicles is available. To view the state contract, see the Department of Enterprise Services Contracts website at:

www.ga.wa.gov/Purchase/contracts.htm
Vehicle Acquisition and Disposal

**New and Used Vehicles**

If the cost of a new vehicle is to be reduced by trade-in of a University-owned vehicle, the department must include the following information on the Departmental Requisition:

- Make
- Model
- Year
- Vehicle identification number (VIN) of the trade-in vehicle
- WSU inventory number of the trade-in vehicle

The Surplus Supervisor must approve all proposed vehicle and equipment trade-ins to ensure adequate trade-in value. See also BPPM 70.12 regarding trade-ins.

**Surplus Vehicles**

Federal and state surplus inventories may offer low-cost vehicles suitable for some departmental requirements. The department must send the approved Departmental Requisition or an e-mail from the authorized expenditure authority to Surplus Stores, which works with the department to acquire surplus vehicles.

The department must notify Property Inventory by e-mail or campus mail when acquiring a federal or state surplus vehicle. The department must include the following information in the written notice to Property Inventory:

- Make
- Model
- Year
- Vehicle identification number (VIN) of the surplus vehicle
- Value of the surplus vehicle

**Donated Vehicles**

To acquire a donated vehicle, the department must complete a Noncash Gift Transmittal and Acknowledgement to report an in-kind gift. The department must obtain verification of the value of the vehicle from a car dealership or other appropriate valuation source.

The department routes copies of the Noncash Gift Transmittal form and the vehicle value verification to the Gift Accounting division of the WSU Foundation and the Property Inventory Section of the Controller's Office. See BPPM 30.70 for gift transmittal form instructions.

**Property Inventory**

All licensed vehicles must be added into the University's Property Inventory system and affixed with an inventory number tag, regardless of cost. All vehicles, farm equipment, and heavy machinery with an acquisition cost that exceeds $5000 must be inventoried and tagged. See BPPM 20.50 and Property Inventory.
Vehicle Acquisition and Disposal

Title and License Overview

The department must apply for the title and license, if required by the Washington State Department of Licensing, as soon as vehicle is received. The department must submit all documentation pertaining to the purchase to Purchasing Services with a Departmental Requisition to cover the title and license costs (BPPM 70.10).

Purchasing Services reviews and ensures that all submitted paperwork is complete and issues a check payable to the Department of Licensing (DOL). The department takes the check to the DOL and obtains the license and registration.

See below regarding the procedures for completing the required documents to obtain the title.

Titling and Exempt Licensing

As a state agency, the University is exempt from paying annual licensing fees on most vehicles. Contact Risk Management Services for exceptions. License plates issued to the University indicate exempt status. The license fee and any related charges are one-time costs.

APPLYING FOR TITLE

To apply for vehicle titles, departments must complete and submit the following documents, as appropriate, to the offices indicated below.

All Vehicles

Departmental Requisition

A departmental representative sends a completed Departmental Requisition to Purchasing Services along with any other pertinent documents indicated in this section.

See BPPM 70.10 for general instructions regarding the Departmental Requisition form. See Figure 3 for a completed example.

Under Item, include the vehicle identification number (VIN), year, make, model, and original purchase order number.

Under Vendor Names, indicate the Department of Licensing.

Contact Purchasing Services for the current schedule of fees and related charges.
Vehicle Title Application

The department must complete and submit a Vehicle Certificate of Ownership (Title) Application to Purchasing Services. The vendor usually provides the title application. If not, the department may obtain a blank application from Purchasing Services or from the DOL website at:

www.dol.wa.gov/forms.html

If the University owns the vehicle, enter Washington State University in the first Name field under New registered owner and Risk Management/Department name in the second Name field. ("Department name" is the name of the department that purchases and includes the vehicle on the departmental property inventory list.) Enter the University's UBI number (385000328) under First owner's Washington driver license, ID card, or UBI number. In the Name field under New legal owner or lienholder, place the words "SAME AS ABOVE." See a sample title application in Figure 2.

Review the title application prepared by the vendor to ensure that it lists the required information correctly, including the purchasing department name. Purchasing Services must review, sign, and have all title applications notarized.
Vehicle Acquisition and Disposal

Other Documents

Submit the following additional documents to Purchasing Services with the Departmental Requisition:

- Manufacturer’s Statement of Origin (MSO)
- Current odometer reading certification
- Copy of an invoice or purchase order indicating that sales/compensatory tax has been paid on the vehicle
- Weight certification (for trucks and trailers only)

NOTE: The MSO, the odometer certification, a vendor's invoice, and the title application usually come with the vehicle.

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**Washington State University**

**DEPARTMENTAL REQUISITION**

Send original to Purchasing Office; Mail Code 1020.

<table>
<thead>
<tr>
<th>DEPARTMENT</th>
<th>MAIL CODE</th>
<th>DEPT. FAX NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Technology</td>
<td>1234</td>
<td>B2345</td>
</tr>
</tbody>
</table>

**DATE**

4/5/09

**DEPT NUMBER**

2222

**REQUISITION NUMBER**

B2345

Enter an Alternative Delivery Location for delivery to a site other than the default location for the Department Number shown above.

**DEPARTMENTAL CONTACT**

Fred Jones

5-8976

**TELEPHONE**

**DELIVERY NEEDED BY**

**TECHNICAL CONTACT**

Fred Jones

5-8976

**TELEPHONE**

**ENCUMBRANCE REQUIRED BY**

**Fund** | **Subf** | **Prog** | **Budget** | **Project** | **Object** | **Dist (% or $)**
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>xxx</td>
<td>xx</td>
<td>xxx</td>
<td>xxxx</td>
<td>03</td>
<td>SA</td>
<td></td>
</tr>
</tbody>
</table>

**ITEM NO**

<table>
<thead>
<tr>
<th>ITEM NO</th>
<th>ITEM -- List Catalog Number and Complete Description</th>
<th>QUANT</th>
<th>UNIT</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>License for Dodge Station Wagon, 2005, with vehicle identification number (VIN) # LL42C5K21084D</td>
<td>1</td>
<td>ea</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**VENDOR NAMES, ADDRESSES, FAX AND TELEPHONE NUMBERS**

(Including Vendor Number, if known.)

1. Example: catalog, previous order, telephone, written, estimate. (If previous order or catalog, add numbers and date. If written, attach copy of quotation.)

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**Figure 3**
Vehicle Acquisition and Disposal

Non-Pullman Departments
Non-Pullman departments may file title applications at local area licensing offices if the department presents the following documentation:

- A correctly completed title application (see Vehicle Title Application)
- Other required documentation (see Other Documents)
- Authorized Departmental Requisition (see Department Requisition).

Used Out-of-State Vehicle
In addition to the required documentation described under Applying for Title, a used out-of-state vehicle purchase requires an inspection in order to complete the title application process. The vehicle must be inspected by the Washington State Patrol. NOTE: New vehicles do not need to be inspected.

The department adds the inspection fee to the Departmental Requisition. Inspection must occur before licensing, but the inspection fee is paid at the same time as the licensing fee.

Surplus Vehicles
State Surplus Property Documents
To title State Surplus Property acquired through Surplus Stores, the department completes and submits to Purchasing Services all documents received from Surplus Stores.

Declaration of Use Tax
Purchasing Services obtains a Declaration of Use Tax form from the Department of Revenue to request exemption from the requirement to pay state sales/use tax. Purchasing Services completes the form and submits it to the Department of Revenue.

Federal Excess Property
Surplus Stores Documents
To title Federal Excess Property acquired through Surplus Stores, the department completes and submits to Purchasing Services all documents received from Surplus Stores.

Declaration of Use Tax
Purchasing Services completes and submits a Declaration of Use Tax form to the Department of Revenue.

Federal Agency Issue Document
The department submits the issue document received from the federal agency to Purchasing Services. (See BPPM 20.78 for more about federal excess property.)
Vehicle Acquisition and Disposal

Title Application

On the Vehicle Certificate of Ownership (Title) Application enter:

- Washington State University in the first Name field under New registered owner.
- Risk Management/Department in the second Name field under New registered owner.
- The federal agency in the Name field under New legal owner or lienholder.

("Department" is the name of the department that purchases and includes the vehicle on the departmental property inventory list.)

Donated Vehicles

To title a donated vehicle, submit documentation to Purchasing Services from a car dealership or other appropriate valuation source verifying the value of the vehicle.

NOTE: The department must complete gift transmittal documentation as indicated under Donated Vehicles for each donated vehicle.

Other Modes of Transportation

Contact Purchasing Services for additional instructions on titling and licensing aircraft or other modes of transportation not addressed under Definitions.

OBTAIN TITLE, TAGS, AND REGISTRATION

Payment

Pullman Locations

For Pullman units, a department representative picks up the check for the license fees and related charges from Purchasing Services, French 220.

The department representative delivers the check and applicable documentation (see Documentation) to the Department of Licensing (DOL) in person.

Non-Pullman Locations

For non-Pullman units, the responsible department representative processes payment for the license fees and related charges. He or she delivers the payment with all applicable and required documentation (see Documentation) to the Department of Licensing (DOL) in person.
Vehicle Acquisition and Disposal

Documentation

The departmental representative delivers the following items to the Department of Licensing in person:

- Check
- Completed title application
- Odometer reading
- Manufacturer’s Statement of Origin (MSO)

If applicable, the departmental representative also takes the inspection slip and/or the Declaration of Use Tax form. See Donated Vehicles and Declaration of Use Tax.

Department of Licensing

Whitman County

In Whitman County, Department of Licensing offices are located at:

- Whitman County Auditor’s Office
  County Courthouse, Colfax, WA
- Department of Licensing Office
  1195 SE Bishop Blvd. #3, Pullman, WA

Outside Whitman County

Departments located outside Whitman County contact the local office of the state of Washington Department of Licensing.

Plates/Registration

The Department of Licensing provides the departmental representative with the vehicle license plates and the vehicle registration.

Securely attach the license plates to the vehicle. **NOTE: Do not move plates from one vehicle to another.**

Immediately submit copies of the Department of Licensing’s Certificate of Registration to Purchasing Services.

Place the original Certificate of Registration inside the vehicle glove compartment, along with the vehicle accident forms. See **SPPM 7.20** for vehicle accident form requirements.
Vehicle Acquisition and Disposal

Title
The state of Washington Department of Licensing sends the vehicle title to the legal owner (WSU Risk Management Services, federal agency, or other) for filing.

Risk Management Services maintains the titles for all University vehicles.

PROPERTY INVENTORY
The Property Inventory Section of the Controller's Office updates the University's AIS Property Inventory Application when it receives notification of acquisition or transfer of a vehicle. See BPPM 20.50 for property inventory procedures.

All licensed University vehicles, regardless of cost, and all farm equipment and heavy machinery with an acquisition cost that exceeds $5000 must be tagged and inventoried.

Vehicle Inventory System
Once Property Inventory updates the Property Inventory Application, the information appears in the Vehicle Information System.

Risk Management Services maintains the Vehicle Information System database.

Inventory Tags
Property Inventory issues the department a Property Inventory Card and inventory tag after entering the information into the system.

Departmental personnel are to secure the tag to the inside of the driver's door post.

Questions
Contact Risk Management Services with questions regarding the titling of University vehicles.

INSURING VEHICLES
Contact Risk Management Services to determine if insurance is required on the vehicle. See SPPM 7.10.

DISPOSING OF VEHICLES
Before selling, transferring, trading in, dismantling for parts, or otherwise disposing of a vehicle, the department must notify Surplus Stores and complete the required documents. See BPPM 20.76 for proper disposal procedures. When a vehicle is sold, transferred, or disposed of, the transferring department must formally notify the Property Inventory Division.

See BPPM 20.76 for procedures and required documentation to dispose of a motor vehicle.

See BPPM 20.80 for procedures and required documentation to sell a motor vehicle to another WSU department.

See BPPM 70.12 regarding trading in a vehicle.

See BPPM 20.50 for additional procedures for handling University property.