

- 3.2. Responsibilities of State Agencies**
- 3.2.1.** A Chief Executive Officer or designee of a State Agency shall authorize the assignment of a State vehicle to a State employee of that State Agency.
- 3.2.2.** Each State Agency shall maintain documentation of the assignment of the State vehicle, including the Chief Executive Officer's justification for authorizing the assignment of the vehicle.
- 3.2.3.** Each year, on or before October 1, the Chief Executive Officer of a State Agency, or a designee of that individual, shall review each assignment of a vehicle to ensure the assignment complies with the Eligibility requirements in this Fiscal Rule, the Taxability requirements in the Technical Guidance, and the Internal Revenue Code and its implementing regulations. Each State Agency shall send this information to the Office of the State Controller and to State Fleet.
- 3.3. Responsibilities of the Department of Personnel and Administration (DPA)**
- 3.3.1.** The Office of the State Controller and State Fleet shall review the information submitted by the State Agencies and Institutions of Higher Education for the initial application and for subsequent annual renewals. The Office of the State Controller and State Fleet shall:
- 3.3.1.1.** Verify that the assignment of the vehicles complies with the Eligibility requirements of State vehicles; and
- 3.3.1.2.** Verify that the Taxability is in compliance with the Technical Guidance and the Internal Revenue Code and its implementing regulations.
- 3.3.2.** If the verification process establishes that the assignment of a vehicle no longer complies with the Eligibility requirements of State vehicles, then DPA shall revoke the assignment of the vehicle.
- 3.4. Cost Analysis**
- 3.4.1.** State Fleet has developed a spreadsheet for State Agencies to evaluate whether use of State vehicles or the use of the employee's personal vehicle is the most cost efficient means of Transportation.
- 3.4.2.** State Agencies shall submit this spreadsheet with the initial application and annual reviews to the Office of the State Controller and State Fleet.
- 3.5. Taxability of State-Assigned Vehicles**
- 3.5.1.** Any Elective Officer or State employee who is assigned a State-owned vehicle because it is the most cost-efficient means of Transportation receives a taxable fringe benefit and the State Agency shall include the value of this fringe benefit in the income of the Elective Officer or State employee.
- 3.5.2.** The Technical Guidance the Office of the State Controller should be followed by all State Agencies, branches of government, and Institutions of Higher Education. Executive agencies shall follow policies on State-Assigned Vehicles issued by State Fleet and the Office of the State Controller.