



POLICY

SUBJECT: Vehicle Use for Cooperative Business

BACKGROUND:

Employees and directors are at times required to travel by automobile to meetings, conferences, and training events on behalf of the Cooperative. This policy is intended to encourage employees and directors to utilize the lowest cost form of vehicular transportation while offering flexibility to the traveler. In most instances, the vehicle provided by the Cooperative is the lowest cost option. However, in special circumstances such as when spouses are traveling with the Cooperative representative, there may be a preference to use a personal vehicle instead of the Cooperative provided vehicle.

POLICY:

It is the policy of the Delaware County Electric Cooperative, Inc. (the Cooperative) that employees and directors shall be encouraged to utilize the Cooperative provided vehicle whenever practical. In instances where a Cooperative vehicle is not available, then the employee or director shall be reimbursed for use of a personal vehicle at the current rate recommended by the Internal Revenue Service (IRS). If more than one employee/director are traveling together in one personal vehicle, only the employee/director providing the personal vehicle will receive reimbursement. In instances where a Cooperative vehicle is available, but the employee/director elects to use a personal vehicle, then the employee/director shall be reimbursed at one half the current rate recommended by the IRS.

It is the responsibility of the employee/director to acquire and maintain current and appropriate auto insurance coverage if the employee/director uses a personal vehicle for Cooperative business travel.

It is the responsibility of the employee/director to request a Cooperative vehicle. Failure to request a Cooperative vehicle prior to using a personal vehicle for Cooperative travel will result in reimbursement at one half of the IRS recommended rate.

Persons who are not employees/directors of the Cooperative are not permitted to ride in Cooperative vehicles unless doing so meets a business need of the Cooperative. For example, a Cooperative employee may take a Department of Energy employee, an NRECA employee, a contractor hired by the Cooperative, a Cooperative member, a Rural Utilities Service employee, or a Cooperative Finance Corporation employee in a Cooperative vehicle if doing so serves a business need of the Cooperative. Examples of impermissible passengers in Cooperative vehicles include family members or friends not serving a business need of the Cooperative.

Spouses of employees may ride in Cooperative owned vehicles to and from Cooperative meetings or events with prior permission from the General Manager. Spouses of directors may



ride in Cooperative owned vehicles to and from Cooperative meetings and events with prior permission from the Board of Directors.

Prior to driving a Cooperative-provided vehicle, an employee or director must demonstrate possession of a current valid driver's license to the Cooperative. A copy of the license will be kept on file at the Cooperative's office. The license must be of the appropriate class and must include the appropriate endorsements (e.g., air brake endorsement as required). If the status of an employee's or director's license changes in such a way that limits that employee or director in legally carrying out his responsibilities to the Cooperative, then the employee or director must report the status change to the Cooperative before using a Cooperative vehicle again. It is the responsibility of each employee or director to understand and comply with any restrictions or limitations placed on his own drivers license by the issuing authority or court order.

RESPONSIBILITY: General Manager

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC

Approved by Board of Directors	September 24, 2013
Reviewed by Board of Directors	September 22, 2015
Revised by Board of Directors	March 28, 2017