



Clean Water Services

Administrative Policy

Section: Finance and Accounting	Policy #: FA104
Title: Personal Vehicle Mileage Reimbursement Policy	
Implemented by Administrative Procedures #:	R&O #: Ordinance 38
Authorization Signature: 	Effective Date: July 1, 2025

PURPOSE

The purpose of this policy is to establish guidelines regarding mileage reimbursement when using a personal vehicle while conducting official District business.

SCOPE

This policy applies to all District employees: non-represented, represented, temporary, interns, and probationary employees.

The terms of a CEO approved vehicle stipend agreement that is part of an employee's compensation package supersedes this policy.

DEFINITIONS

- Personal Vehicle Mileage Reimbursement (PVMR) - means a rate of reimbursement set by the [Internal Revenue Service \(IRS\)](#) to be paid to employees using their personal vehicles to conduct official District business.
- Daily commute miles - means the round-trip distance from an employee's residence to their primary duty station.
- Primary duty station - means the location to which a person is assigned and normally works. An employee's duty station typically remains the same for each day worked.
- Remote duty station – means an employee's duty station when the employee is telecommuting; typically, the site would be the employee's home and the employee has an assigned day, or days, of the week when the employee is telecommuting.
- Temporary workstation – means a place that is not one's duty station and may include the location of an off-site training, a meeting or conference.

POLICY GUIDANCE

GENERAL RULES

1. District employees are expected to use the most cost-effective and time-efficient method of transportation when on official District business. This includes utilizing District fleet vehicles when available.
2. It is the District's intent to comply with current IRS taxable fringe benefit laws, rules, and regulations by adopting this policy.
3. It is the District's intent to reimburse its employees for reasonable, ordinary, and necessary business mileage expenses incurred when conducting District business in their personal vehicle, in accordance with this policy.
4. District employees shall be responsible for tax consequences associated with the reimbursement of expenses considered by the IRS to be taxable fringe benefits.
5. District employees are responsible for obtaining approval(s) for reimbursement.

PERSONAL VEHICLE MILEAGE REIMBURSEMENT (PVMR):

1. The use of a personal vehicle to conduct official District business shall be reimbursed at the PVMR consistent with the IRS standard mileage rate. PVMR is considered full payment (including depreciation, insurance, maintenance, repairs, fuel and other operating costs) for personal vehicle use in lieu of a District vehicle.
2. PVMR is allowed for travel on official District business based on the most direct route between the employee's primary duty station and the temporary workstation. The District will not reimburse for daily commute miles.
3. For employees who are currently working under the approved [Telecommuting Policy HR624](#), when the employee is working remotely per their Telecommuting Agreement, their primary assigned duty station remains the same when calculating commute miles.
4. The purpose of the PVMR is to compensate for traveling distances beyond the employee's normal commute. Daily commute miles are not reimbursable regardless of the day in which the business travel occurs.
5. PVMR for the use of a personal vehicle while in overnight travel status at a conference or training is reimbursable for trips such as travel to and from hotel and conference site or travel to and from lunch and conference site (if no suitable option is otherwise available). However, PVMR should not be claimed for miles driven for personal use while on District business such as sightseeing.
6. If an employee chooses to drive to a business destination instead of flying, mileage reimbursement will be based on actual business mileage, but will not exceed the cost of what the airfare and related transportation would have been. Mileage reimbursement will only be paid in excess of the airfare if the employee is required by the District to drive to the conference or training, or upon prior CEO approval. See CWS Travel and Training Policy FA103.
7. District provides a [Mileage Between Facilities chart](#) to reference for occasions when a personal vehicle is used for travel between CWS facilities.

PERSONAL VEHICLE USE AUTO INSURANCE RESPONSIBILITIES

1. Employees who use their personal vehicle for District business must carry limits equal to or greater than the state-required auto liability insurance. The employee is responsible for the deductible under their insurance policy. The District does not provide physical damage coverage or reimbursement for damage to the personal motor vehicle.
2. The District provides excess liability coverage for employees while driving their personal motor vehicle on District business. The employee's automobile liability insurance is primary and the District's insurance is excess over any other valid insurance carried by the vehicle owner. The District's auto policy does not cover any physical damage (except to rental cars).
3. The employee's personal auto policy, if endorsed to include collision and/or comprehensive damage, is the only insurance available. The District will not pay for any physical or comprehensive damage to the employee's vehicle unless the District is proven to have caused the damage.

COMPUTING REIMBURSEMENT MILES

1. When an employee travels from their home to a temporary workstation: Determine the number of miles from the employee's home to the temporary workstation. Subtract the employee's daily commute miles from their home to their primary duty station. If the difference is positive the employee is eligible for PVMR for the miles more than their daily commute. If the difference is negative the employee is not eligible for PVMR as the distance from their home to the temporary workstation is less than their daily commute miles.
 - a. *For example: Home to the temporary workstation = 15 miles. Home to employee's assigned duty station = 5 miles. Employee would be eligible for PVMR for 10 miles.*
 - b. *For example: Home to the temporary workstation = 8 miles. Home to employee's assigned duty station = 10 miles. Employee is not eligible for PVMR as their mileage to the temporary workstation was two miles less than their daily commute.*

2. When an employee travels to their primary duty station before traveling to their temporary workstation: All miles are reimbursable since they have already driven their daily commute. When returning from the temporary workstation and driving directly home the employee will only be eligible for PVMR for those miles more than their daily commute (as described above).
3. When an employee is working from a remote duty station: If travel to the office for a portion of the day during their remote day is required, then mileage reimbursement to and from the office cannot be claimed.
4. Employees receiving a monthly auto allowance stipend from the District cannot request PVMR under this policy.

REQUESTING PRIVATE VEHICLE MILEAGE REIMBURSEMENT

1. PVMR requests **not related to travel/training** are submitted through Oracle CWS Expense Reimbursements. A print-out of an online map showing the shortest distance between the departure/return location and the destination must be attached in Oracle to document mileage requests, including a map documenting the employee's daily commute miles. The request should document the starting location and destination for each leg of the trip along with the business purpose for the travel. Mileage is not eligible for reimbursement through petty cash. See Travel and Training Policy FA103 for guidance on submitting PVMR requests as part of travel/training.
2. PVMR requests should be submitted monthly for supervisor review. June PVMR requests are due by July 10th to allow for processing in the appropriate fiscal year.

RESPONSIBILITY

1. All department and division leaders should be familiar with this policy and confirm compliance with the policy when approving employee PVMR requests.
2. The Finance & Accounting group will oversee the Personal Vehicle Mileage Reimbursement Policy, will take the lead role in reviewing/revising this policy annually, and will audit on a sample basis approved PVMR requests for compliance with the policy.

REFERENCES

- IRS Publication 5137 (Taxable Fringe Benefits Guide)
- [CWS R&O 89-6](#)
- www.gsa.gov – personal vehicle mileage reimbursement rates

REVISION HISTORY

- CWS R&O 89-6, February 7, 1989
- Revised on: May 1, 2025; July 10, 2025