

SOUTHWEST TENNESSEE COMMUNITY COLLEGE**SUBJECT:** Vehicle Replacement**EFFECTIVE DATE:** July 1, 2007**1. Policy**

Southwest Tennessee Community College assigns an estimated number of life years a vehicle should remain in service. Assuming they are properly maintained, a life of 12 years is assigned or 180,000 miles.

Vehicles should be replaced also;

- When the cost of repair is estimated at 50% of the vehicle's Blue Book value,
- When a vehicle has a history of excessive repairs but has not reached either the mileage or time component of the standard replacement cycle,
- When a vehicle is involved in an accident the total cost of repair shall be no greater than 80% of the vehicle's fair market value, and
- When its fair market value is less than \$500.

2. Vehicle Utilization

Vehicles with mileage in excess of 100,000 miles are limited to in-town use only.

3. Procurement

Vehicle purchases should be based on a cost benefit analysis that includes the life cycle costs associated with the specific vehicle model as related to its intended use. Fuel efficiency and environmental impact should be considered.

4. Vehicle Replacement Fund

A minimum of \$50,000 should be transferred to the Renewal and Replacement Fund (R&R) annually if College resources permit.

Source of Policy: Financial & Admin. Services**Related Policy:** N/A**Approved:** _____
President**Responsible Vice President for**
Administrator: Financial and Admin. Ser
TBR Policy Reference: N/A
TBR Guideline Reference: N/A**Date:** July 1, 2007