

**SOUTHWEST TENNESSEE COMMUNITY COLLEGE****SUBJECT:** Vehicle Replacement**EFFECTIVE DATE:** July 1, 2007; Revised July 1, 2024**Purpose**

The purpose of this policy is to establish the proper procedures for the replacement of vehicles owned, purchased, or leased by Southwest Tennessee Community College (“Southwest” or “the College”).

**Policy**

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

Vehicles should also be replaced:

- A. When the cost of repair is estimated at 50% of the vehicle’s Blue Book value;
- B. When a vehicle has a history of excessive repairs but has not reached either the mileage or time component of the standard replacement cycle;
- C. When a vehicle is involved in an accident and the total cost of repair is greater than 80% of the vehicle’s fair market value; and
- D. When the vehicle’s fair market value is less than \$500.

Vehicle Utilization

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

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.

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:** Finance & Admin Services**Responsible****Administrator:** Chief of Administrative Services**Related Policy:** \_\_\_\_\_**TBR Policy Reference:** 4.01.00.01**Approved:** **Date:** July 1, 2024**President**