



Section PURCHASING	Subject VANPOOL PROGRAM AND NON-REVENUE STAFF VEHICLE DISPOSAL POLICY AND PROCEDURE
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I. PURPOSE

To establish a formal procedure for the proper disposition and sale of all vanpool program and non-revenue/staff vehicles.

II. ADMINISTRATIVE POLICY

Pace will adhere to Pace’s Fixed Asset Policy, FI-05 and the FTA Circular 5010.1C (or most recent version) regulations that pertain to the proper disposal of vehicles, specifically with regards to vanpool program and non-revenue/staff vehicles. Before a sale will be authorized, the vehicles must be a minimum of 4 years old or have been driven a minimum of 100,000 miles, whichever is greater. This may be subject to change based on budget limitations and Pace’s ability to replace equipment after 4 years.

All Pace employees and their family members as defined in Pace’s Ethics Ordinance, including primary drivers, are strictly prohibited from purchasing vanpool vehicles from any vanpool program or any non-revenue fleet vehicle offered by Pace Suburban Bus.

Disposal of Vanpool program and non-revenue/staff vehicles will be handled by Pace’s Vehicle Maintenance Vendor – these vehicles will be sold at auction to registered Wholesale Dealers or according to the Vendor’s competitive sales process. Disposal of Salvage vehicles will also be handled by Pace’s Vehicle Maintenance Vendor. Coordination of the sales using these procedures will be handled by the Vehicle Maintenance Vendor under contract with Pace Suburban Bus.

The Administration Department is only authorized to coordinate the sale or otherwise dispose of vanpool program or non-revenue/staff vehicles through the Vehicle Maintenance vendor. All other disposals will be handled directly by the Purchasing Department unless otherwise provided for in *PC-09, Asset Disposal Procedures*.

The final odometer reading shall be reported on the condition report and asset disposal form. After the asset disposal form is submitted, the respective vehicles on this form may not be driven. The odometer reading noted on the condition report and asset disposal form shall be what is certified on the Power of Attorney submitted to the Vehicle Maintenance Vendor or on the vehicle title.

III. RESPONSIBILITIES

The following provides detailed vehicle disposal procedures and the department responsible for each task.



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A. Initiating the Disposal Process

1. Revenue Services – Initiating Vanpool Vehicle Disposals

Revenue Services shall be responsible for:

- Completing the Vanpool Release/Return form when a vehicle is returned
- Reviewing all maintenance records prior to disposal to determine whether a vehicle should be retired once the useful life is met
- Completing Condition Report with documentation of damages or repairs needed.
- Forwarding the Condition Report and Asset Disposal Form to the Regional Manager, South Region for approval.
- Completing and submitting the Asset Disposal Forms to the Finance Department for processing along with a copy of the following:
 - Vanpool Release Form
 - Vanpool System Screen Print
 - Maintenance History
 - Accident Report (if applicable)
 - Condition Report
 - Repair Estimates and Photos (if applicable)
- Once Asset Disposal forms for vanpool vehicles are approved and the Finance Department has provided notification of this approval, completing and submitting an approved requisition to Purchasing and notifying Finance of the requisition number assigned
- Requisition should be submitted within 15 business days of notification of approval of disposal and detail each vehicle being sold.
- Deactivating fuel card for the vanpool vehicle
- Removing all decals from each vanpool vehicle approved for disposal
- Forwarding to Administration Department all vehicle pick-up notices provided by the towing/auction vendors at the time the vehicle is removed from Pace Property

2. Administration Department – Initiating Non-Revenue/Staff Vehicle Disposals

The Administration Department shall be responsible for:

- Reviewing all maintenance records prior to disposal to determine whether a vehicle should be retired once the useful life has been met
- Completing Condition Report with documentation of damages or repairs needed.
- Forwarding the Condition Report and Asset Disposal Form to the Department Manager, Administration for approval.



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- Completing and submitting the Asset Disposal Forms to the Finance Department for processing, along with a copy of the following:
 - Maintenance History
 - Condition Report
 - Accident Report (if applicable)
 - Repair Estimates and Photos (if applicable)
- Once Asset Disposal forms for non-revenue/staff vehicles are approved and the Finance Department has provided notification of this approval, completing and submitting an approved requisition to Purchasing
- Requisition should be submitted within 15 business days of notification of approval of disposal forms and must detail each vehicle being sold
- Removing all decals from non-revenue/staff vehicles approved for disposal
- Deactivating the fuel card for the non-revenue/staff vehicle.

B. Coordination of Sale through Vehicle Maintenance Vendor

1. Administration Department – Coordination of Sale

Upon receipt of an approved requisition, approved asset disposal forms, and titles from the Finance Department, the Administration Department shall be responsible for:

- Monitoring vanpool vehicle retirements and maintaining any vehicles for the non-revenue spare fleet when appropriate
- Signing the Limited Power of Attorney or POA (which releases vehicles to be sold)
- Submitting the same POA to Purchasing Department for their review, approval, and signature
- Upon approval of the POA by Purchasing Department, notifying Vehicle Maintenance Vendor of vehicles to be sold and notifying the Vehicle Maintenance Vendor to remove vanpool program or non-revenue/staff vehicles from service
- Ensuring that all paperwork is completed and forwarded to Vehicle Maintenance Vendor

Documentation that must be included is as follows:

- 1) Signed Limited Power of Attorney
- 2) Courtesy Sale Form
- 3) Condition Report
- 4) Maintenance and Accident History
- 5) Copy of Asset Disposal Form
- 6) Vehicle Title



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- Ensuring that Pace Division staff forward all vehicle pick-up notices provided by the towing/auction vendors at the time the vehicle is removed from Pace Property.
- Notifying Finance Department when Vehicle Maintenance Vendor removes vehicles from Pace Property
- After receipt of Vehicle Sales Proceeds summary report from the Vehicle Maintenance Vendor, preparing the Illinois Secretary of State’s *Seller’s Report of Sale* to include information regarding the sale if title transfer has not been adequately handled by the Vehicle Maintenance Vendor or new vehicle owner.
- Submitting the Illinois Secretary of State’s *Seller’s Report of Sale* referenced above for the Purchasing Department’s review, approval, and signature
- Submitting the *Seller’s Report of Sale* to the Illinois Secretary of State once the approval and signature has been secured from the Purchasing Department.
- Submitting a copy of all of the documents referenced above to the Purchasing Department to include in the Contract/Sales file.

2. Vehicle Maintenance Vendor –Handling Sale of Vehicles through Competitive Process

As outlined in their contract, the Vehicle Maintenance Vendor shall be responsible for:

- Coordinating the sale of the vanpool program or non-revenue/staff vehicles.
- Vehicles will be sold at auction or through another competitive method.
- Vehicles will be sold to the highest bidder using this auction or other competitive method.
- Collecting payment from Wholesale Dealer or other Purchaser of the vehicle for the sale of the vehicles
- After the vehicle has been sold, preparing and forwarding payment for each vehicle sold to Pace’s Finance Department, along with a report (a Vehicles Sales Proceed Summary Report outlining
 - total amount received for each vehicle sold
 - amount retained by Vendor for costs/service fees
 - VIN and Pace vehicle number of each vehicle sold
- Forwarding vehicle title to Wholesale Dealer or other Purchaser of the vehicle.
- Preparing title transfer and/or obtaining junking certificate from the Secretary of State or alternatively, submit to Pace’s Administration Department a Bill of Sale or Salvage Sale Report which includes the Purchaser’s information in order to enable Pace to complete a *Seller’s Report of Sale* as detailed above.
- Requiring that the Wholesale dealer or other Purchaser of the vehicle submit the application for transfer to the Illinois Secretary of State’s Office within 20 days as required by law or alternatively, submitting to Pace’s Administration Department a Bill of Sale or Salvage Sale Report which includes the Purchaser’s information so that Pace can complete a *Seller’s Report of Sale* as detailed above.



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C. Approval and Oversight

1. Capital Financing and Infrastructure

The Capital Financing and Infrastructure Department shall be responsible for:

- Approving Asset Disposal Forms and sending approved forms to the Finance Department (Senior Fixed Asset Accountant)
- Approving in the Oracle System the requisition for the disposal of vanpool program and non-revenue fleet vehicles
- Signing off on a \$1 Clerical Hard Copy of Purchase Order that indicates the sale is complete and has been processed by the Purchasing Department

2. Finance

The Finance Department shall be responsible for:

- Forwarding the completed Asset Disposal forms to Capital Financing and Infrastructure for approval
- Notifying Revenue Services (for vanpool vehicles) or the Administration Department (for non-revenue/staff vehicles) that the vehicles are approved for disposal and that a requisition should be submitted within 15 business days
- Upon receipt of a requisition number, notifying the Administration Department that the vehicles are approved for disposal and forwarding to them:
 - approved Asset Disposal Forms
 - titles
 - applicable requisition number for the disposal
- Receiving all payments and documentation associated with the sale of each vehicle
- Providing Administration with copies of vehicle sales documents
- Notifying Capital Financing and Infrastructure of all payments in order to determine payment reimbursement to the funding agency (if any)

3. Purchasing Department

The Purchasing Department shall be responsible for:

- Designating purchasing authority to the Administration Department to coordinate the sale/disposition of vanpool program and non-revenue/staff vehicles through the Vehicle Maintenance Vendor for sales or for salvages.



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- After receiving a copy of the approved requisition, approved asset disposal forms, condition reports and titles, informing the Administration Department that they can initiate the sales process through the Vehicle Maintenance or Accident Management Vendor.
- Processing the requisition for the sale of a vanpool program and non-revenue/staff vehicles and ensuring all proper asset disposition documentation is received (as outlined earlier in this procedure)
- Reviewing and approving the Power of Attorney allowing the Vehicle Maintenance Vendor the rights to sell vehicles on Pace's behalf
- Reviewing and approving the Illinois Secretary of State's *Seller's Report of Sale*
- Forwarding the signed Illinois Secretary of State's *Seller's Report of Sale* to the Administration Department for submission to the Secretary of State
- Maintaining a contract file for the sale of vanpool program and non-revenue/staff vehicles, including all applicable reports and documents submitted by the Administration Department
- Approving and executing a \$1 purchase order detailing the vehicles sold and payments received
- Addressing any contract compliance issues with the Vehicle Maintenance Vendor as required

Executive Director Signature

Date