

## Employee Use of Personal Vehicles

Initial Question: I've got a legal question that I am researching and hoping maybe you can help, if possible. In the past, once a month, Chris would drive to Missoula to the Book Exchange to purchase books for the library. The library paid her mileage and she earned a wage for these trips. Mileage rates are high (each trip cost \$70 for mileage) and our budget is shrinking. She says she will do it without getting mileage, but I'm pretty sure that is illegal and the library board agrees with me. My worry is that if she gets in an accident her insurance won't cover her because she's on library business and if we aren't paying her mileage our insurance won't cover her. I don't know if this is how it works. If you can point me in the right direction on this issue, I would greatly appreciate the assistance. I have looked at the department of labor about travel but have not found anything that addresses my concerns.

Response from Bob Cooper and Tracy Cook – October 23, 2009

1. If they are still giving Chris her wage then it means that she is on company time therefore the library's insurance policy should kick in. **You are correct about this although the library's (town's) insurance policy may not extend to private vehicle coverage at any time.**
2. They should review Chris' personal car insurance policy, because the insurance company might pay if she gets in accident even if she is on company time. **This is definitely a good thing to do. Most private insurance will at the very least allow you to carry an additional rider at minimal cost to cover such limited business use. Depending on the insurance agency, and I would advise Chris to seek out one that provides the coverage she needs, she might even be able to set it up where she calls the day before she travels to provide date information for starting and suspending the coverage. Depending on other existing city and library general (and insurance) policies, the library board might want to consider providing Chris a travel stipend to cover the cost of this additional rider. I have seen that solution used in the non-profit zone before where there are no company cars and employees must travel for their jobs. Without the reimbursement, the employee is paying to work for us.**
3. They may need to look at their city policy that talks about mileage reimbursement to see what it says about reimbursing staff. **Another good idea.**
4. It occurs to me that they might want to avoid doing this simply to avoid setting a precedent. Chris might be willing to drive to Missoula without receiving reimbursement, but the next staff member may want to be reimbursed. **I agree. I think it is important to establish the true cost of doing library business by having a budget that reflects that cost. This is never something that should be carried on the back of an "understanding" staff member. However, if we are not avoiding the costs then we are obligated to examine the value received for the costs. Given the employee salary for the time invested and the cost of the travel are we saving enough on book purchases to merit continuance of this method? Could we do less trips and buy more books each time to increase our bang for the buck? Are there other sources that even with delivery costs would be a better solution? We are also losing that employee's time from service coverage in the library which is what I would call an "impact" cost that is important not to overlook in a small library.**