Vehicle Leasing Program Guidelines

Vehicle Leasing, Purchasing & Rental

Vehicle Purchasing Process

The multi-step vehicle purchasing process starts with the department reviewing this page, then reviewing the Fleet Management Fleet Manual, selecting and completing the Request to Purchase/Lease Vehicle Form, and obtaining all the necessary signatures before submitting the form to the Fleet Management Office.

For additional information, please get in touch with Angel Driver with Fleet Management (205-348-4809), Tony Johnson with Fleet Management (205-348-8798), or Brock Pierce with Purchasing (205-348-0064).

Please review the following before completing the Vehicle Request Form for options for obtaining a vehicle:

Leasing Program

The department will pay a monthly lease for each vehicle they operate. Once a department agrees to lease a vehicle, the department is committing to a minimum 12-month lease term and is required to keep the vehicle and continue paying the monthly lease payment for that full 12 months, even if the department's need for the vehicle changes before that time has elapsed. Departments should carefully consider projected usage before requesting a leased vehicle, since the minimum term applies regardless of how much or how little the vehicle is used. After the 12-month minimum has been met, the vehicle's lease will continue until the department turns the vehicle in and determines it is no longer needed. Otherwise, the department will follow a replacement cycle, Preventive Maintenance, and other services defined by Fleet Management. Departments will be required to sign and follow the fiscal year lease agreement. The lease agreement will expire on September 30th, and departments will enter into a new lease agreement for the new fiscal year, beginning in October.

Monthly Lease Payment

The monthly lease payment includes the following:

- Monthly use of the vehicle
- University insurance for physical damage insurance for vehicles 5 model years old or newer. (Effective October 1, 2025, the deductible cost is $2,000/incident payable to Risk Management) (subjected to change).
- Basic Preventive Maintenance (PM) Services:

  PM Service Intervals (standard intervals; idle hours are defined as 33 miles = 1 idle hour)

  - Sedans/Light Trucks: every 5 months, 5,000 miles, or 150 idle hours, whichever occurs first
  - Severe Duty Vehicles: every 3 months, 3,300 miles, or 100 idle hours, whichever occurs first

These are standard service intervals. Based on actual usage, particularly higher mileage or higher engine idle hours, Automotive Services or Fleet Management may increase the frequency of these services as needed to properly maintain the vehicle.

Two complimentary PM services per year are included in the monthly lease. Additional PM services required by excessive use, such as high idle hours or high mileage, will be charged to the using department. Severe duty vehicles on a 3-month interval typically need about four PM services a year; the two services beyond the complimentary PMs are charged to the department.

Scheduling PM Services

Automotive Services will email the department a reminder 4 to 6 weeks before each PM service is due. Please reply to the email with the dates and times the vehicle will be available for service. Advance scheduling helps departments plan around their vehicle needs, and it helps Automotive Services have parts and supplies on hand and avoid overbooking the shop. Free concierge pickup and return is available on request. PM services more than 30 days past due are reported to Fleet Management to ensure compliance.

Each PM Service Includes:

- Oil and filter change
- 30-point inspection
- Tire rotation
- Wiper blades (once per year)
- Top-off of vehicle fluids: windshield washer fluid, engine coolant, transmission fluid, and power steering fluid

Department Financial Responsibility

Departments are financially responsible for the following (during the lease or at the end of the lease):

- Damage caused by failure to have routine preventive maintenance performed.
- Repairs performed that are not covered by the manufacturer's warranty due to neglect, departmental abuse, accidents, vandalism, insurance deductible, wear, and tear items, etc. Fees for these repairs will be charged back to the department at the established Automotive Services rate.
    - Most OEM (manufacturer) warranties cover 36 months or 36,000 miles, whichever occurs first. Because idle hours also count against the manufacturer's warranty, a vehicle that exceeds 1,091 idle hours may be considered by the OEM to be out of warranty, and the OEM may decline to cover repairs under warranty. Using departments must be mindful of excessive idle hours to help preserve the vehicle's manufacturer warranty coverage.
- Departments assigned a vehicle give prior approval to Automotive Services to authorize repairs up to $2,500 when the Associate Director of Automotive Services or Fleet Management determines repairs are the best option.
- Excessive wear and tear includes, but is not limited to, damaged glass, damaged body panels, lights, fenders, paint, dysfunctional accessories, any damage to the interior, and any items that interfere with the safe and lawful operation of the vehicle.

- Departments are responsible for knowing and following Risk Management and Fleet Management Policies related to University vehicles in the Fleet Management Fleet Manual.
- Physical Insurance Coverage is paid to Risk Management.
    - Risk Management covers this insurance for vehicles that are 5 model years old or newer. For vehicles older than 5 model years, the department must contact Risk Management to discuss coverage options.
    - Note: The department must request this coverage with Risk Management before an accident occurs.
    - If a department elects to have no Physical Insurance Coverage, then the department will be responsible for all damages. Please contact Risk Management for additional information.
- Fuel costs are billed to the department.

Pre- and Post-Trip Vehicle Inspections

Because the using department operates the vehicle day to day and is in the best position to know its actual usage and condition, the department is required to perform a pre-trip and post-trip inspection each time the vehicle is used. At a minimum, this inspection should include checking the engine oil level, along with other fluid levels, tire condition and pressure, lights, and any visible damage.

Any issues identified during these inspections, such as a low oil level or a warning light, should be reported to Automotive Services promptly so that necessary repairs or maintenance can be scheduled before the issue worsens or causes additional damage to the vehicle.

Damage resulting from a department's failure to perform these pre-trip and post-trip inspections, or from failure to notify Automotive Services of an identified issue, will be the responsibility of the using department.

Monthly Lease Rate (subject to change each October)

Lease rates start as low as $275/month and continue as follows:

- $275.00
- $375.00
- $475.00
- $575.00
- …and higher depending on the vehicle

Lease Terms and Additional Charges

- Lease replacement intervals vary from 3 to 6 years, depending on the type of vehicle
- Lease rates may vary based on the condition of the vehicle being replaced, the type or model of the vehicle being replaced, residuals of certain vehicle types, and any upfittings or special equipment.
- Additional keys are extra.
- Departments will be charged $300 for any missing keys when vehicles are turned in.

Outright Purchase Program

Departments that Fleet Management approves to purchase a vehicle by state, university, or grant funds will be required to:

- Pay a non-refundable $2,500 administrative fee for each vehicle purchased
- The administrative fee will be required to be paid when the department takes ownership of the vehicle.
- If the grant agency does not allow the administrative fee as a grant expense, the department must pay it from other funds.

Vehicle Rental Requirements

Rental vehicles are for official University business only. Personal use of these vehicles is strictly prohibited. All drivers must complete a Motor Vehicle Record (MVR) Release Form and be approved by Risk Management before operating a University vehicle. All approved drivers must also complete an online defensive driving course.

Before operating a 12-passenger van, drivers must complete additional online van training, available at UA Driver Safety Training.

Student groups requesting to reserve a vehicle must have their advisor or supervising faculty/staff member submit the request on their behalf. Students are prohibited from submitting reservation requests directly.

All fleet rental vehicles are covered under the University's Motor Vehicle insurance policy. However, in the event of an accident or damage to a rented vehicle, the department will be responsible for the deductible cost. (Effective October 1, 2025, the deductible cost is $2,000/incident payable to Risk Management) (subjected to change).

Deductible Waiver for Rental Vehicles

For an added fee of $2.00/day, Fleet Services will assume the deductible cost in the event of an accident. The waiver option must be elected before the trip begins.

Vehicle & Rates

Vehicle Type	Daily Rate	Mileage Rate
Sedan	$81	19 cents/mile
Highlander	$91	21 cents/mile
Tahoe	$120	25 cents/mile
Van, 7-Passenger	$91	25 cents/mile
Van, 12-Passenger	$140	30 cents/mile
Cargo Van	$140	30 cents/mile
Truck	$125	30 cents/mile
Cart	$125	N/A

Note: The daily rate does not include fuel costs. A fuel charge will be calculated based on the number of miles driven.

Vehicle Reservation

While Fleet Services will always strive to meet all departmental needs, departments are strongly encouraged to request vehicles as early as possible in advance of the trip. There are two types of vehicle requests: a Reservation Form or a Contracting Grant & Rental Form.

- Vehicle Reservation Form — for all general vehicle rentals; can be used by any University department.
- Contracting Grant & Rental Form — for any reservation funded through a contract or grant.

Both forms must be completed and emailed to fleet@ua.edu, and requests must be submitted by the designated departmental requester. The following information is required on the reservation form to process the request:

- Driver(s) name
- Department FOAP to be charged (COA, Fund, Org, Program)
- Departure date & time / return date & time
- Destination(s)
- Purpose of trip (e.g., conference, field trip, research, etc.)
- Type of vehicle requested (sedan, minivan, SUV, 12-passenger van, cargo)
- Departmental contact name & email (for Accounting/Budget correspondence)
- Approval signature from Dean/Department Head
- Deductible waiver election

Once the request is received and processed, a confirmation email with a reservation number will be sent to the requester. Fleet Services keeps the completed reservation form on file for the driver at pickup, so the driver is not required to bring an additional form at the time of pickup.

Vehicle Pickup & Hours of Operation

All vehicles are picked up at the Fleet Services Office, located at 1450 Warrior Drive, Tuscaloosa, AL 35404. Hours of operation are Monday–Friday, 7:00 a.m. – 4:00 p.m.

Cancellations

All cancellations must be made at least 48 hours before the scheduled pickup time to avoid a late cancellation fee.

Standby Reservations

If a vehicle is not available for the requested time frame, customers may make a standby reservation. This holds a vehicle that may become available due to a cancellation.