
Company car policy sample

This **company car policy** template is ready to tailor to your company's needs. Use this as a starting point when creating your employment policies.

Policy brief & purpose

Our company car policy describes our guidelines for using company cars. A “company car” is any type of vehicle our company assigns to employees to support their transportation needs for their jobs. Company cars belong to our company and we want to make sure our employees use them properly.

Scope

This policy refers to all of our employees who are eligible to receive a company car and those who drive one as part of their daily job duties.

Policy elements

Employees who may be assigned a company car

Employees who are eligible to be assigned a company car fall into three categories:

- Employees who need to travel more than [*X miles*] per year to meet with customers, partners or vendors.
- Employees who use company vehicles as an indispensable part of their jobs (e.g. truck drivers and delivery drivers).
- Employees who are given a company car as a benefit attached to their jobs.

In most cases, our company will determine which employees will be assigned company cars. Employees who aren't assigned company cars but believe they need one may discuss this with their supervisor or consult with our [*Human Resources (HR) department.*]

Employees are permitted to drive their assigned company cars outside of working hours, but they must always abide by this policy.

We retain the right to revoke or assign company vehicles at our discretion.

Prerequisites to drive a company car

Our employees are only allowed to drive a company car if they:

- Have a valid driver's license.
- Have a clean driving record for at least [*X years*]. This means they mustn't have been held at fault for a car accident, or arrested on charges of violating vehicle and traffic laws (e.g.driving under the influence of drugs or alcohol).

Employees will need to complete a form and submit a copy of their driver's license to be eligible for a company car.

Employees with disabilities

Employees with disabilities may also be eligible for company cars and [parking spaces](#). We're also willing to make reasonable accommodations to facilitate their company vehicle use. Employees who take medications that severely affect their sense of orientation, vision or reflexes may not be permitted to drive a company car.

Driver's obligations

We expect employees who drive company vehicles to follow rules. They should:

- Drive safe and sober.
- Respect traffic laws and fellow drivers.
- If applicable, wear glasses or contacts when driving.
- Document any driving-related expenses, like fuels and tolls.
- Check their car regularly to ensure gas, tire pressure and all car fluids are at appropriate levels.
- Report any damages or problems with their assigned cars to HR as soon as possible.
- Avoid double-parking, blocking entrances and engaging in other traffic violations that may result in fines.

If employees have their driver's licenses suspended or revoked, they must inform our [*HR department*.] We'll reassign their company car until they become eligible to drive in accordance with our policy (maintaining a clean driving record for at least [*X years*]).

Employees who are fatigued and/or sick should avoid driving if they feel their driving ability is impaired. If sickness occurs during a business trip that requires the use of a company car, employees should take regular breaks while driving or ask HR for overnight accommodations, if needed.

Employees are not allowed to:

- Smoke inside of a company car.
- Lease, sell or lend a company car.
- Violate distracted driving laws by using a phone or texting while driving.
- Use a company car to teach someone how to drive.
- Leave the company car unlocked, unattended or parked in dangerous areas.
- Allow unauthorized people to drive a company car, unless an emergency mandates it.

Accidents

If employees are involved in an accident with a company car, they should contact our HR department immediately, so we can get in touch with our insurance provider. Employees shouldn't accept responsibility or guarantee payment to another party in an accident without company authorization.

Employees should follow legal guidelines for exchanging information with other drivers and call local police if accidents are serious.

Our company's obligations

We want to ensure that all our employees are safe at work and preserve our company's legality. For these reasons, we'll:

- Make sure cars are safe to drive before assigning them to employees.
- Schedule periodical maintenance to ensure cars remain in good condition.
- Provide a copy of this policy to all employees who are assigned company cars.
- Insure vehicles with a reliable insurance provider.

Drivers are responsible for bringing in their company cars for any maintenance our company schedules.

We keep records of our fleet with manufacturing date and mileage. We will retire any car that's deemed too old or too high in mileage.

We are not responsible for:

- Paying fines employees accumulate while driving company cars that they are responsible for (e.g. for driving too fast.)
- Bailing out employees arrested while driving company cars.

Protecting the environment and saving costs

Cars are harmful to our environment and costly to use. We'll try to provide employees with eco-

friendly cars when possible. We also expect our employees to use their assigned company cars sensibly, considering environmental impacts. Examples of instances when using company cars isn't necessary:

- When public transport is easily accessible and faster.
- When business trips are far enough to warrant use of train or plane.
- When employees can complete a task without driving.

Disciplinary Consequences

Employees will face disciplinary consequences if they don't follow this policy's rules. For minor offenses, like allowing unauthorized people to drive a company car or receiving more than [two] fines, we may issue reprimands and ultimately revoke the company car.

We may terminate an employee and/or take legal action as needed for more serious offenses. That can include leasing out a company car for personal financial gain, or causing an accident while driving intoxicated.

Disclaimer: This policy template is meant to provide general guidelines and should be used as a reference. It may not take into account all relevant local, state or federal laws and is not a legal document. Neither the author nor Workable will assume any legal liability that may arise from the use of this policy.