

		Department of Administrative Services Central Procurement and Fleet Services Enterprise				
		Title/Subject:		Fleet Services Depreciation Account Management		
		Applies to:		All Executive Branch Employees, Non-Employees Representing the State	Effective Date:	6/30/2022
					Revised Date:	6/1/2025
				End Date:		
X	Policy	Approved by:	Director Adam Steen	Policy #	650.025	
X	Procedure	# of Pages:	2	Procedure #	650.025	
	Other	Instruction:				
Legal Authority: <a href="#">IC 8A.365</a> ; <a href="#">IA 8A.367</a>						

### I. Purpose

- A. The purpose of this policy is to affirm the process of calculating and collecting depreciation fees from State Agencies.

### II. Policy

- A. It is the policy of the Department to comply with the requirements for maintaining a depreciation fund for the purchase of replacement motor vehicles and additions to the fleet as required under Iowa Code subsection [8A.365](#).

#### 1. Iowa Code section [8A.365](#) Vehicle replacement – depreciation fund.

“The director shall maintain a depreciation fund for the purchase of replacement motor vehicles and additions to the fleet. The director’s records shall show the total funds deposited by and credited to each department or agency. At the end of each month, the director shall render a statement to each state department or agency for additions to the fleet and total depreciation credited to that department or agency. Such depreciation expense shall be paid by the state departments or agencies in the same manner as other expenses are paid and shall be deposited in the depreciation fund to the credit of the department or agency. The funds credited to each department or agency shall remain the property of the department or agency. However, at the end of each biennium, the director shall revert to the fund from which it accumulated any unassigned depreciation. The Department of Corrections is not obligated to pay the depreciation expense otherwise required by this section.”

### III. Procedure

#### A. Guidelines

1. A depreciation account shall be maintained for each State agency and fund code.
2. The depreciation for passenger vehicles, as defined in Iowa Code section [8A.367](#), will be calculated based on the purchase price, a six-year useful life, and 20% salvage value. This will be the default calculation for other types of vehicles unless a variance is requested as described in the next paragraph.
  - a) Requests for variance from the passenger vehicle calculation may be considered based on the specific type or use of the vehicle. The Chief Operating Officer, Central Procurement and Fleet Services may approve or deny such requests. Documentation relating to such requests and approval/denial shall be maintained by DAS Fleet in the file for the specified vehicle until disposal of the vehicle from State of Iowa inventory, or interagency transfer.
3. The calculated depreciation expense shall be charged to the owning agency and fund code through eDAS on a monthly basis.

**B. Communication**

1. This Policy is available on the DAS Fleet Services website.
2. Inquiries regarding this Policy shall be presented in writing to the DAS Fleet Manager.