### Advantages in Renting MSU State Vehicles

- **Cost Savings:** Rental vehicles can be cheaper than personal vehicles, especially for long-term rentals. The cost is usually lower because it includes fuel, rental rate, and insurance.
- **Liability:** When using a rental vehicle, the liability is spread between the rental company and the state, reducing the personal liability risk.
- **Maintenance:** Rental vehicles are maintained by professionals, reducing the need for the user to perform routine maintenance tasks.
- **Reliability:** Rental vehicles are generally newer and have fewer miles than personal vehicles, leading to better reliability.

### Cost Analysis

<table>
<thead>
<tr>
<th>Type</th>
<th>Number of Vehicles</th>
<th>2022-23 Actuals</th>
<th>2022-24 Actuals</th>
<th>2023-24 Budget</th>
<th>Encumbrances</th>
<th>Difference Col. 4 less 5 &amp; 6 = 7 (8)</th>
<th>2024-25 - Proposed - As of 2/19/24</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rental Charge</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Daily Rate</strong></td>
<td></td>
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<td></td>
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<tr>
<td>Sedans</td>
<td>6</td>
<td>$36</td>
<td>$36</td>
<td>$36</td>
<td>$36</td>
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<tr>
<td>Mini Van (7 Passenger + 2 Passenger)</td>
<td>2</td>
<td>$83</td>
<td>$40</td>
<td>$65</td>
<td>$65</td>
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<tr>
<td>Cargo Van</td>
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<td>$63</td>
<td>$42</td>
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<tr>
<td><strong>Total</strong></td>
<td>10</td>
<td>$121</td>
<td>$118</td>
<td>$118</td>
<td>$118</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

### Fixed Costs

- **Salaries & Fringe:** $71,675
- **Variable Costs:** $9,031
- **Miscellaneous (hazardous waste materials disposal, etc. Object Codes 1411, 1412, 1710, 1755, 1765, 2120, 2162, 2720):** $1,301
- **Fiscal Year Income Subtotal:** $114,257

### Service Charge

- **MSU Processed Enterprise Rental-A-Car Charges:** $127,700
- **Insurance Recovery and Income Beyond Recovery:** $65,377
- **Fiscal Year Income Subtotal:** $192,087

### Self-Sustaining Cost Center Expenditure Totals

- **Self-Sustaining Cost Center Expenditure Totals:** $117,990
- **Miscellaneous (hazardous waste materials disposal, etc. Object Codes 1411, 1412, 1710, 1755, 1765, 2120, 2162, 2720):** $1,301
- **Fiscal Year Income Subtotal:** $116,919

### Cost Analysis

- **FY24:** 194,730
- **2023-24 Charge Includes:** 3% Increase - Effective 3% Increase - Effective
- **Variable Costs Subtotal:** $116,919
- **Fiscal Year Income Subtotal:** $116,919

### 2023-24 Existing Passenger Fleet Vehicles - Revenue Producers

- **Passenger Fleet June Net 30 Mileage (with Carry Forward):** $60,600
- **Average odometer on passenger fleet vehicles:** 65,907

### Personal Vehicle Use Costs More - MSU costs are less when state vehicles are utilized than paying for an employee to drive their personal vehicle. IRS standard reimbursement rate is 67¢/mile if no state owned vehicle is available. A lesser rate of 60¢ is used when a state vehicle is declined by user or not requested by the employee (Effective January 1, 2024 through December 31, 2024). No wear is tear on personal vehicles if state vehicle is used. 
- **Driver’s Age Issue:** To drive a state vehicle from MSU you must be at least 18 years old. University Business approved through the department responsible for the account charged for this service. Vehicle Consent Form must be submitted and received with approved status.
- **Convenience - State vehicles are on campus, while using a state vehicle your personal vehicle is able to park in a dedicated state parking space that you are using which is a secured area and has engine block heater hookup during the winter months.
- **Liability higher cost if personal vehicle is used and involved in an accident while on state business, the accident claim would affect driver’s personal insurance. In general, damage to state vehicle is covered by the State of Minnesota.**
- **Unlimited miles and no gas charges to departments. The daily rate includes fuel, rental rate and insurance. Use of Enterprise typically requires use of personal funds or department funds used for the MSU State Vehicle Program**