Vehicle Allocation Methodology (VAM)

Presenters
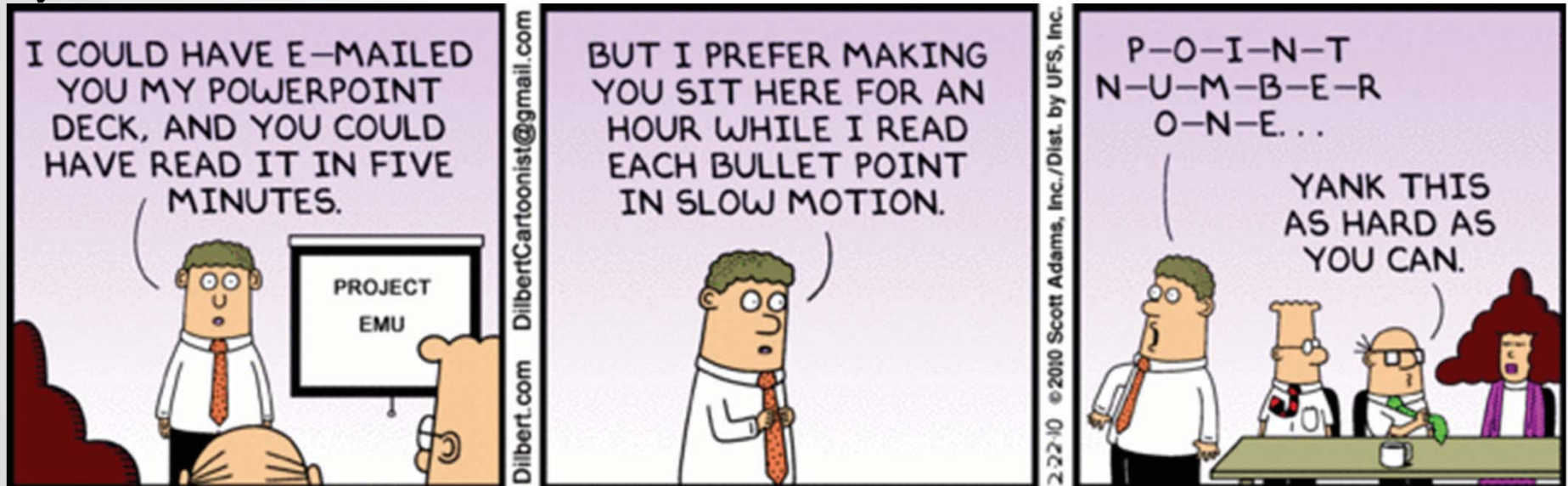
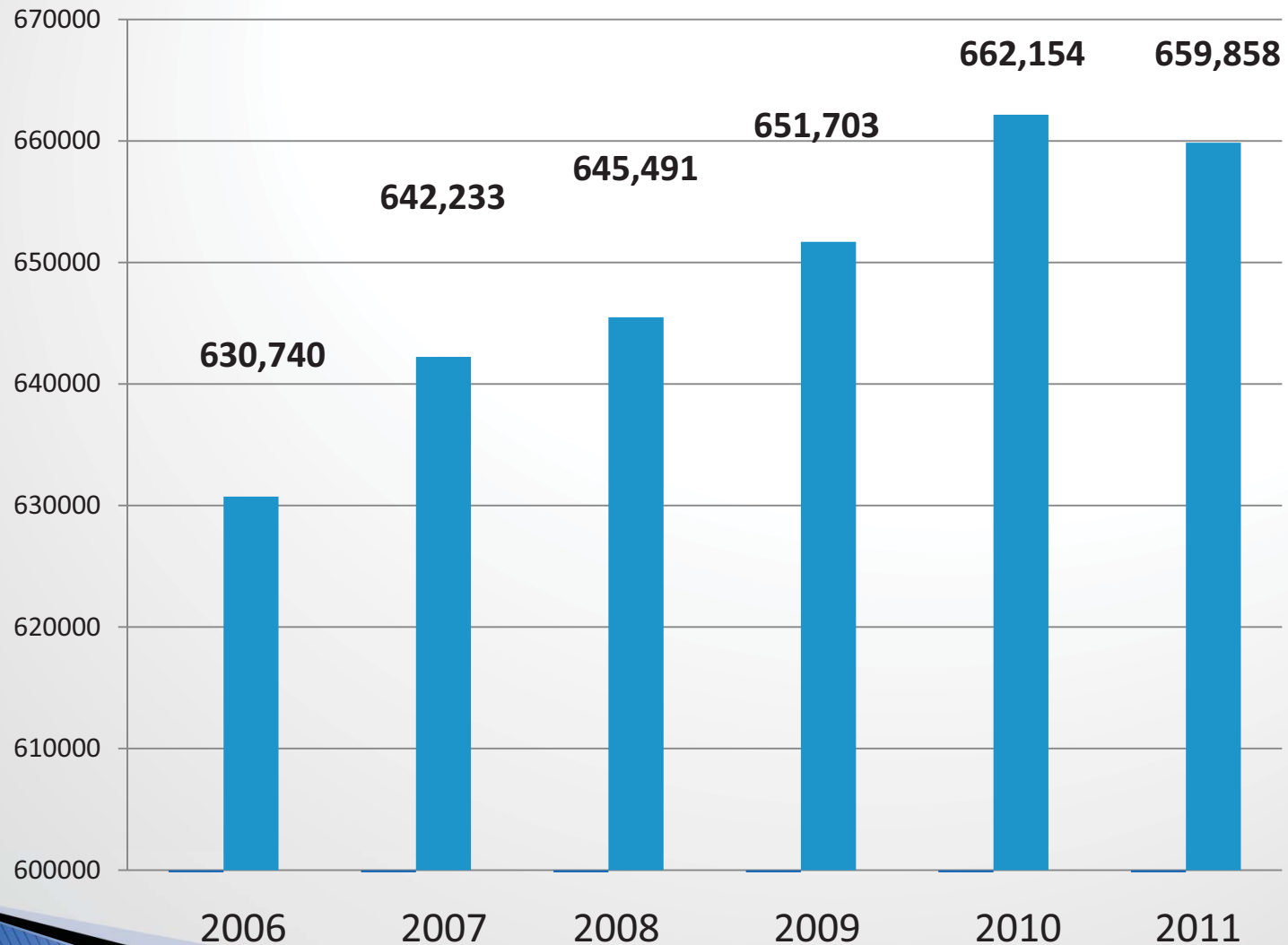Gary Hatfield, Mercury Associates

William Gookin, Mercury Associates

Dilbert

By Scott Adams

Federal Fleet Size History

2011 Federal Fleet Size & Cost

- Total Federal Inventory 659,858
- 453,144* (69%) of vehicles are owned
  - Cost of owned: $3.2 B
  - $7,062 per vehicle
- 199,729 vehicles are GSA leased
  - Cost of leased: $1.15 B
  - $5,757 per vehicle
- Total Cost $4.44 B

*US Postal Service is 46%

If Management Asks, Could you Answer?

- How many vehicles do we have in our fleet?
- How many are owned? Leased?
- What analysis are you doing to determine if purchasing a vehicle is the best way to go?
- How many vehicles do we really need?
- Do we know the full cost of our fleet?
- How do we capture the total cost of our fleet?
- How can we reduce cost?
- Can we use more smaller/fuel efficient vehicles?
- What is our ratio of vehicles to employees?

Requirements of Presidential Memo

▶ GSA provides VAM guidance with emphasis placed on eliminating unnecessary or non-essential vehicles from an agency's fleet inventory – (FMR Bulletin B-30)

▶ Ensure lifecycle cost-effectiveness (lease vs. own; optimized replacement cycles for owned)

▶ VAM must address composition for light duty fleets (i.e. vehicle types and sizes)

▶ Agencies shall determine their optimal fleet inventory using the VAM, and post on agency websites

▶ Agencies shall submit to GSA their fleet management plans to achieve these targets

▶ GSA Administrator shall submit a summary of the plans to the Director of the Office of Management and Budget and to the Chair of the Council on Environmental Quality

What FMR Bulletin B-30 Required

- Develop and implement a VAM
- Complete the Attainment Plan
- Create a fleet management plan
- Submit the Attainment Plan and the Agency fleet management plan to GSA via FAST annually
- The VAM shall cover an agency's entire fleet in the United States, encompassing all vehicle types, including law enforcement and emergency response vehicles.
- How did you do your VAM?

Requirements of a Full VAM

- Complete a survey of 100% of the non-exempt vehicles to determine utilization and mission criticality for each vehicle

- Review survey results to identify vehicles that can be eliminated

- Use survey results to identify vehicles that can be replaced with a smaller vehicle or replaced with a more efficient type of vehicle (e.g. SUV replaced with sedan)

- Use survey results to identify vehicles that can use alternative fuels

- Complete the Attainment Plan spreadsheet to plan progress toward achieving "optimal fleet" (i.e. right *number* of vehicles, right *types* of vehicles, and AFV's)
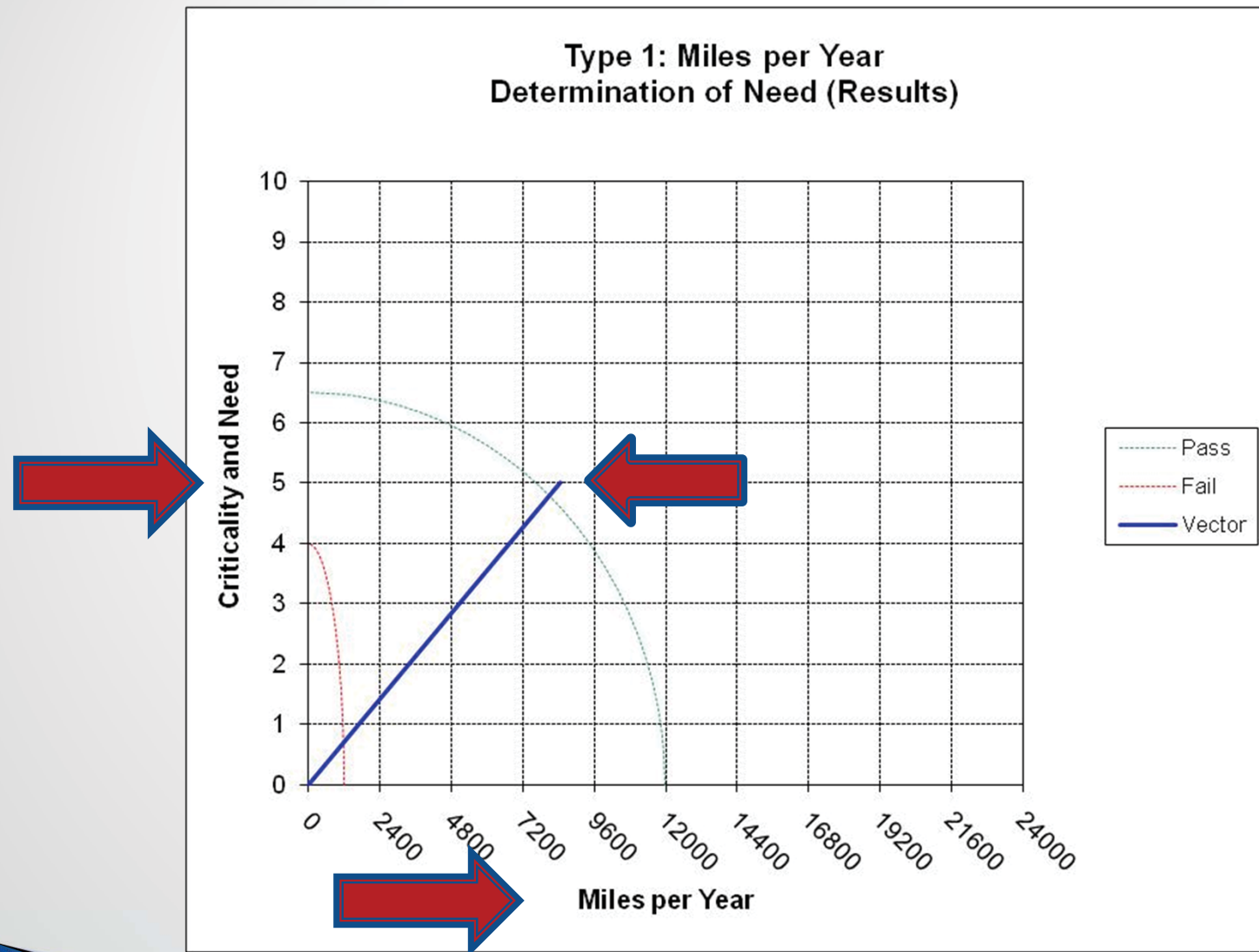
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A VAM Should:

- Examine Each Vehicle
  - By GSA vehicle type
  - Within the context of the organization's vehicle fleet
  - Using survey and fleet inventory data
- Provide Rightsizing Recommendations
  - Based on utilization *and* criticality
  - Report as – Underutilized, Questionable, or Retain
- Provide right typing recommendations
- Identify alternate fuels potential

VAM SURVEY SHOULD…

▶ **Be Completed For Each Vehicle**

▶ **Collect Data On:**

➢ **Utilization**

➢ **Criticality**

➢ **Right typing**

➢ **Alternate fuels potential**

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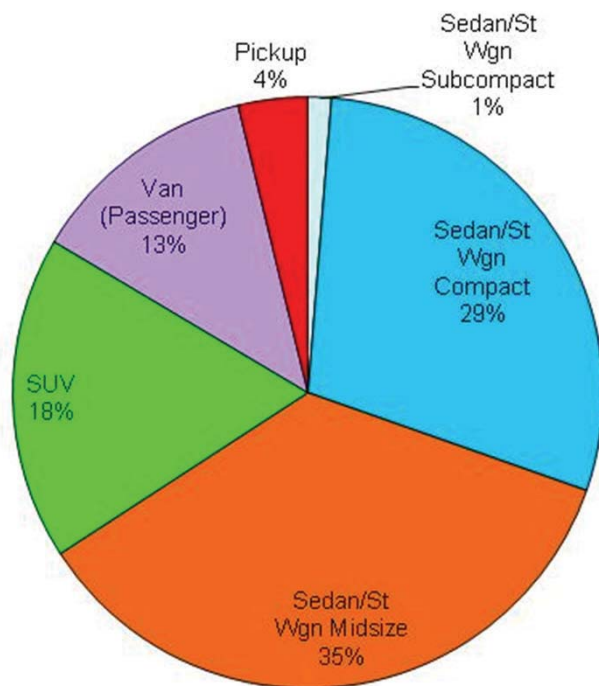# Sample Utilization *and* Criticality Analysis
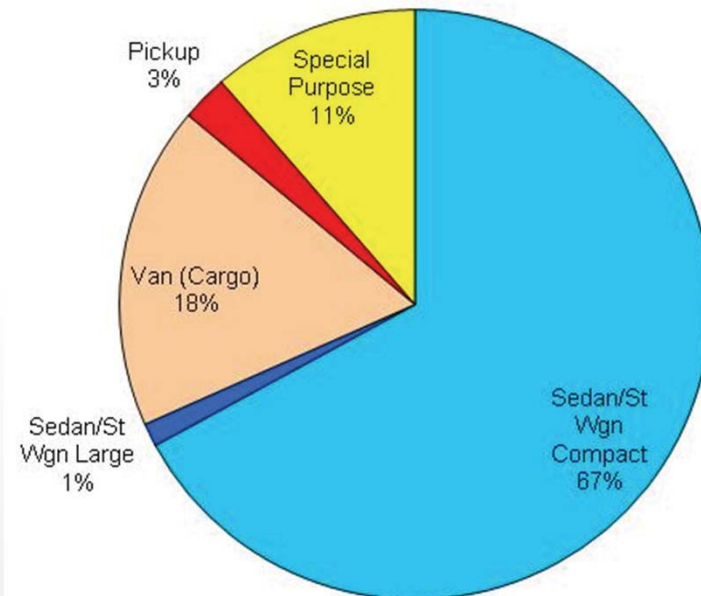
Sample Detail Analysis

CLASS & TAG #	Answer	Current Age (Years)	Current Miles / Year	Criticality	E85 Distance (Miles)	E85 Station ID
1	Underutilized	6.1	6633	3	4.7	234
2	Underutilized	3.1	5763	3	Too Far	
3	Question	1.1	830	6	2.1	785
4	Question	4.1	5429	5.5	Too Far	
G41-56	Question	6.2	3706	5.5	0.0	1018
G11-584F	Question	1.2	822	5	4.8	27
G41-552B	Question	2.2	4409	5	4.6	244
G41-641	Question	5.1	4697	5	Too Far	
G41-7215	Question	5.2	6997	5	3.1	824
G10-24A	Question	4.2	3242	5	2.4	100
G12-522	Question	4.2	5272	5	3.3	36
G10-677A	Question	3.2	3892	5	2.1	785
G43-23A	Question	4.1	4118	5	2.6	213
G41-39D	Question	1.2	3247	4.5	Too Far	
G10-37A	Question	4.2	1500	4	Too Far	
G12-23B	Retain	3.2	5856	9	Too Far	
G41-559	Retain	7.1	5566	9	2.9	868
G10-12A	Retain	3.1	5506	9	Too Far	
G11-06A	Retain	3.1	22790	9	Too Far	
G63-048	Retain	5.2	6438	9	Too Far	

Sample Vehicle Type Comparison

Existing Fleet

Recommended Fleet

Agency fleet management plan must address the following:

▸ Schedule to achieve optimal fleet inventory, including plans for acquiring all AFVs by December 31, 2015

▸ Plans and schedules for locating alternative fueled vehicles in proximity to AFV fueling stations

▸ Vehicle sourcing decisions (lease vs. own analysis)

▸ Fleet management plan must be incorporated into the Annual Strategic Sustainability Performance Plan

Concerns

▸ If agencies (all) don't voluntarily control/reduce fleet size adequately, Congress may take the "chain saw" approach

▸ Leasing vs. Owning

▸ Law Enforcement Vehicles (exempt?)

▸ Home to Work

▸ Agency ability to fund vehicle replacements

Challenges

▸ Poor inventory data on owned assets

▸ Poor utilization data on owned assets

▸ Belief of users that vehicles belong to them

▸ Insufficient authority given to fleet managers to implement results of VAM

▸ Inadequate training of field fleet staff

▸ Not enough time/staff/expertise to execute

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What's Next?

▸ Next VAM Cycle – due mid March 2013
▸ Adjusting goals based on mission requirements
▸ Measuring progress toward fleet size goals
▸ Increasing focus on GSA leasing vs. buying
▸ Look for opportunities to use Shared Fleet-on-Demand Services*

*For example, sharing vehicles with another department, bureau, or agency that is located nearby

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Where We've Been: The Initial 2011 VAM - All Agencies

▸ First VAM cycle completed, Results projected from 2011 through 2015:

◦ Optimal fleet is 35,500 vehicles smaller, 10% of non-exempt vehicles studied
◦ Projected 13% increase in AFVs
◦ Projected 33% decrease in conventional vehicles
◦ Potential annual cost avoidance of $240 million

Source:

GSA

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Where We're Going: VAM Forward

- Primary FAST data call: October-December
- *New—FAST VAM data call: October-Mid March*
- EPAct compliance reports due: February
- *New—FAST closes for VAM submissions/updates: mid-March*
- *New—GSA provides agencies VAM feedback: mid-April*
- EPAct waiver request FAST data call: June
- Sustainability Plans due: in June
- OMB issues annual A-11 instructions: July*
- OMB A-11 reporting due: August (FAST)*

Source: GSA

Questions?

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