

FY 2013 FLEET MANAGEMENT PLAN AND BUDGET NARRATIVE
for
THE U.S. DEPARTMENT OF VETERANS AFFAIRS

The Presidential Memorandum, dated May 24, 2011, entitled “Federal Fleet Performance”, requires Executive Branch agencies to maximize the acquisition of alternative fuel vehicles and use alternative fuels in the vehicles; limit executive fleet vehicle size to that which is required for the agency mission; and to optimize fleet size and composition. The U.S. Department of Veterans Affairs (VA) is committed to achieving these goals for its vehicle fleet, and has been actively engaged in these activities for several years. VA has been challenged in meeting these goals due to the growth in programs designed to fully serve all Veterans, no matter where they live and regardless of their ability to visit a VA facility for service.

(A) Introduction that describes the agency mission, organization, and overview of the role of the fleet in serving agency missions.

VA has a presence throughout the Nation, including Territories, and in the sovereign nation of The Philippines. However, most of our services are concentrated in the United States. VA is comprised of three Administrations and a number of staff offices/ organizations. The three Administrations are the Veterans Health Administration (VHA), the Veterans Benefits Administration (VBA), and the National Cemetery Administration (NCA).

VA Mission Statement

To fulfill President Lincoln's promise “To care for him who shall have borne the battle, and for his widow, and his orphan” by serving and honoring the men and women who are America's veterans.

- VHA honors America's Veterans by providing exceptional health care that improves their health and well-being. It is home to the United States' largest integrated health care system consisting of 152 medical centers, nearly 1,400 community-based outpatient clinics, community living centers, Vet Centers and domiciliaries. VHA requires a full range of vehicles including ambulances, fire trucks, police vehicles, facility support vehicles, busses, tractor-trailers, as well as light-duty vehicles such as minivans and sedans.
- VBA's mission is to provide benefits and services to Veterans and their families in a responsive, timely and compassionate manner, in recognition of their service to the Nation. These benefits and services include disability compensation, education and training, home loans, life insurance, and pensions. VBA's fleet is composed almost entirely of light-duty vehicles used to transport VBA staff members to meetings with Veterans in support of their mission.
- NCA honors Veterans and their families with final resting places in national shrines and with lasting tributes that commemorate their service and sacrifice to our Nation. NCA provides burial space for Veterans and their eligible family members, maintains national cemeteries as national shrines, sacred to the honor and memory of those interred or memorialized there, marks Veterans' graves

with a Government-furnished headstone, marker or medallion and to provide Presidential Memorial Certificates in recognition of their service to a grateful nation, and administer grants for establishing or expanding state and tribal government Veterans cemeteries. NCA's fleet is composed primarily of light-duty vehicles used to lead funeral processions within the cemeteries and heavy-duty vehicles to maintain the cemeteries.

In general, each VHA medical center, VBA regional office, NCA cemetery or other organization, manages their own fleet. Together, the three Administrations manage 99 percent of the vehicles in the Department. The remainder of the fleet is managed by the Office of the Inspector General and several small staff offices/organizations with a few vehicles each. VHA has the overwhelming majority of the vehicles, being responsible for 90 percent of the Department's vehicles. VA vehicles are located at over 298 facilities throughout the United States.

(B) Criteria for justifying and assigning vehicles (including home-to-work vehicle assignments).

Specialty vehicles, if approved, are always assigned to the office requesting the vehicle. This includes ambulances, fire trucks, police vehicles, shop vehicles, etc. Assignment of other vehicles is determined by need. Some of these vehicles (particularly police vehicles) may be further assigned to individual agents/officers based on need.

Our medical centers manage relatively large fleets that cover multiple locations. Some vehicles may be assigned to these remote facilities, based on demonstrated need, in order to minimize travel between remote facilities and the main fleet facility. Fleet managers monitor the use of these vehicles and reassign vehicles as necessary to balance vehicle utilization. Most medical centers also manage a motor pool to provide vehicles to meet staff needs.

VA makes limited use of home-to-work authority, and encourages out-basing of vehicles instead. Vehicles that are frequently used by employees for field work may be garaged at other Federal facilities, with permission of the facility manager.

(C) Explanation for reported fleet size and cost changes or not meeting agency VAM projections.

The Optimum Fleet Attainment Plan provided by GSA in FY 2011 does not adequately take into account the requirement to meet a growing mission. All future projections about progress toward goals are based on the presumption that our future vehicle needs are known and can be reduced, which is not the case for VA. The Veteran population we serve has been expanding rapidly, along with the types of services needed.

VHA in particular has seen tremendous growth in both mission and numbers of vehicles due to Presidential and Secretarial initiatives to improve service to Veterans. Local and national fleet managers make use of the data available to determine the vehicles that will be needed to support these programs.

(D) Description of efforts to control fleet size and cost.

To counteract the effects of our mission growth, VHA has been closely monitoring utilization rates for the past five years. Until recently, underutilization has not posed a large issue with other VA entities since they have relatively small, stable fleets. Recent organizational changes in VBA are causing that organization some “growing pains”, but the fleet is expected to stabilize again once the new organization matures.

VA strives to acquire vehicles from the most cost effective sources, but occasionally must pay a little more for timely delivery of vehicles needed to provide services to our Veterans and their families. VA occasionally utilizes commercial leases for quick delivery vehicles that GSA is not able to provide. Many of our commercially-leased vehicles (e.g. light-duty and medium-duty trucks) are not available through GSA.

Our fleet managers carefully consider each option available and evaluate the cost implications before requesting approval for non-standard procurement options. Commercial leases may cost more in the short term, but generally give VA the flexibility to cancel or modify leases as the mission changes.

Although VA carefully considers each vehicle procurement that is made, we are unique in that we also receive vehicles through donations from Veteran Service Organizations. Accepting all donations is helpful in advancing VA's mission. We would like these vehicles to be the appropriate alternative fuel vehicle for the area, but that is not typically the case. We make every effort to locate donated vehicles to the most appropriate area (either for fuel or utilization considerations), but we are often restricted by the donor to the area or program that the vehicle must support.

VA has also positioned itself to acquire vehicles that are not yet cost effective as part of a pilot program for new technologies. VA is currently demonstrating this strategy with plug-in electric vehicles (EVs). VA is participating in the GSA Electric Vehicle Pilot Program in which VA received 26 of the 116 plug-in electric vehicles available. VA is not limiting itself to GSA's pilot programs, and continues to add EVs in other areas on its own to more fully explore EV benefits.

In keeping with other mandates, VA has acquired a large number of alternative fuel vehicles (AFVs) over the years. The current VA fleet is approximately 50% AFVs. As is the case with most agencies, alternative fuel is not necessarily available in close proximity to each vehicle. In order to make the fuel available for its AFVs (primarily E85), VA is investing in alternative fuel infrastructure where its vehicles are located on its medical center campuses. To date, VA has constructed E85 fueling stations at 45

medical centers around the country, and, in most cases, makes these stations available for use by other agencies. Additional alternative fuel stations are being developed and constructed at other medical centers.

VA is also expanding the use of telematics to collect utilization data automatically. Results so far indicate that these systems provide valuable feedback to coach drivers, collect necessary vehicle use information and monitor vehicle usage. VA plans to mandate installation of these systems in all VA vehicles soon.

VA evaluates fleet utilization continually. Underutilized vehicles are either reassigned or disposed of as appropriate. Minimum utilization standards are shown below:

Vehicle Type	Mileage Criteria	Time Criteria
Sedans, station wagons, and passenger carrying vans, general purpose use	12,000 miles per year, per vehicle	15 days per month, per vehicle
Light trucks (4x2) and general purpose vehicles, one ton and under	10,000 miles per year, per vehicle	15 days per month, per vehicle
Sport Utility Vehicles (4x4 and 4x2) and all other all-wheel drive vehicles	7,500 miles per year, per vehicle	15 days per month, per vehicle
Medium trucks and general purpose vehicles, 1½ tons through 2½ tons (12,500 to 23,999 GVWR)	7,500 miles per year, per vehicle	15 days per month, per vehicle
Heavy trucks and general purpose vehicles, 3 tons and over (24,000 GVWR and over)	7,500 miles per year, per vehicle	15 days per month, per vehicle
Tractor/Trailer	10,000 miles per year, per vehicle	15 days per month, per vehicle

VA is encouraging the use of the above mentioned criteria, to determine if a vehicle should be retained. Fleet managers are required to repurpose or dispose of vehicles that are identified as seriously or chronically underutilized. In many cases this means educating VA management on the economics involved in having a vehicle. We will continue to encourage use of personal vehicle, short-term leases and rentals for infrequent vehicle needs.

(E) Explanation of how law enforcement vehicles are categorized within the agency (See FMR Bulletin B-33).

VA has a small number of law enforcement vehicles. VA has not adopted the tiered law enforcement categorization system described in GSA Bulletin B-33. Most VA law enforcement vehicles do not clearly line up with the GSA designations, and fall somewhere between the definitions of LE-1 and LE-2.

VA law enforcement vehicles fit into one of the following categories:

- Marked police vehicles used at medical centers for security. While these vehicles are marked police, they do not necessarily possess the heavy-duty components since most of these vehicles are not involved in pursuits.
- Unmarked vehicles used to perform intelligence, investigations, security, and surveillance activities. Most of these vehicles are used by agents in the Office of the Inspector General. These agents are authorized to perform many of the functions in the description of LE-1 vehicles, but are not vehicles outfitted with heavy-duty components.
- Protection detail for Secretary and Deputy Secretary. Details of how these vehicles are configured are sensitive information.
- Training vehicles at the VA Law Enforcement Training Center. The VA Law Enforcement Training Center maintains a variety of vehicles similar to those used by VA law enforcement personnel. Personnel and vehicles respond to emergencies as needed.

All other vehicles used by law enforcement officials are not classified as law enforcement vehicles. In addition, some alternative fuel vehicles have been acquired as law enforcement vehicles. VA's fleet of undercover vehicles is intended to "blend in" with other vehicles.

Unlike most agencies, VA covers law enforcement and emergency vehicle under its VAM. It is our belief that there can be underutilized vehicle law enforcement and emergency vehicles, and that the continued review of these vehicles is warranted.

(F) Justification for restricted vehicles.

VA uses many vehicles that are larger than midsize vehicles because most vehicles are used for mission related purposes, not general employee transportation. Most of these vehicles are used to transport groups of people, or elderly or disabled personnel who cannot comfortably fit in smaller vehicles. Vehicle size requirements are documented in the VA VAM Tool.

VA has a small executive vehicle fleet for use by our executives. Ten vehicles qualify as executive vehicles, five of which are assigned to the highest ranking agency officials, with the remaining five executive vehicles assigned to an executive motor pool for the use of all other agency executives. VA reviewed the current executive fleet in response to the Presidential Memorandum – Federal Fleet Performance, and determined that there are few opportunities to reduce the size of the vehicles. However, VA will continue to identify and review possible opportunities to replace executive fleet vehicles

with alternative fuel and/or low-GHG vehicles. The VA Executive Vehicle Listing is posted on the VA website at www.green.va.gov/fleet/ and has recently been updated due to some changes in vehicles (one vehicle was replaced with a different model, and one vehicle was turned in).

(G) Description of vehicle replacement strategy and results.

VA is enforcing, from a centralized control point, the mandate that all vehicle acquisitions must be low-GHG whenever available, and encourages the acquisition of AFVs whenever possible. VA will continue to acquire primarily AFVs for new or replacement vehicles acquisitions. VA is currently limited in its ability to fuel these vehicles, but expects to install additional fueling stations to address this challenge. In addition, areas that are not good candidates for E85 stations will be encouraged to consider acquiring hybrids, compressed natural gas, or electric vehicles, as appropriate. VA is already tailoring vehicle acquisitions to expected fuel availability.

VA's policy to expand its AFV acquisitions is reflected in the VAM reporting tool submission. Although VA already surpasses the 75% AFV acquisition requirement, VA projects to expand its AFV acquisitions annually. This target will be revised to meet the growing availability of alternative fuel stations.

VA is also attempting to relocate AFVs in close proximity to fueling stations with available fuels as soon as practicable. Challenges to this include the fact that vehicles are in constant use and are occasionally outfitted for specific uses. Newly acquired AFVs are being located where the fuel is or will be available.

Since VA's mission continues to grow, and is not well-represented within the Optimum Fleet Attainment Plan in GSA's VAM process, VA struggles to attain the fleet size projections developed under this VAM process. VA strives to minimize the number of underutilized vehicles instead of the number of vehicles on hand.

VA developed a forward-looking Vehicle Acquisition Methodology (VAM) under the now revoked Bulletin B-9. This approach has proven more effective than the new backward-looking approach that GSA now prescribes. The forward-looking approach is critical for VA to be able to meet its growing mission. VA analyzes vehicle acquisitions before they occur to minimize the number of vehicles acquired, and eliminate unnecessary vehicle acquisitions before they occur. As a result, VA has a very small number of underutilized vehicles that will be quickly absorbed by growing mission requirements.

New vehicle acquisitions undergo a two-tiered approval process. First, the requestor and local fleet manager complete VA's VAM tool request form. Based on the input provided, the tool will recommend a type of vehicle (always defaulting to the smallest vehicle type that will fulfill the mission), a fuel type (based on location and fuel availability), and will assign the vehicle request a score based on the predicted utilization as well as the current utilization for that vehicle type at that location. The mid-

level fleet manager then reviews the vehicle request before allowing acquisition of the vehicle. VA has set up this rigorous process to ensure that vehicle acquisitions are well-controlled and underutilization is prevented before it occurs.

In addition to the acquisition process described above, VA policy prohibits acquiring vehicles deemed to be of excessive size for the mission. This policy applies to all levels of the organization. As a result, our fleet composition is changing. Over the past several years smaller, more fuel-efficient sedans, SUVs, 4x4s, and trucks have replaced the older generation of larger sedans and trucks. This trend is expected to continue.

VA uses motor pools and vehicle sharing to help minimize fleet size. Most medical centers have motor pools that allow the medical center staff to share vehicles instead of assigning every vehicle to a specific staff members or offices. In some areas where there are collocated facilities, such as a medical center and a VBA regional office, the motor pool is shared across the collocated facilities.

(H) Description of the agency-wide Vehicle Management Information System (See FMR Bulletin B-15).

VA does not yet have a Vehicle Management Information System that meets all of the criteria of Bulletin B-15. VA has considered many systems, including GSA's FedFMS system, and has yet to find a system that meets all the criteria of Bulletin B-15. VA is continuing to evaluate systems, and hopes to determine the best fit before the end of FY 13. The current system (CARS) covers approximately 90 percent of the VA fleet.

(I) Plans to increase the use of vehicle sharing.

VA shares vehicles internally with other organizations that cannot justify full-time vehicles. An example is the Office of the General Counsel staff who regularly uses vehicles from local medical center fleet motor pools.

VA investigated the idea of vehicle sharing between the Captain James A. Lovell Federal Health Care Center and their neighboring US Navy base, but found conflicting management systems (including billing systems) to be a major hindrance. VA is also concerned about how reporting of vehicles and vehicle usage for such shared fleets would be handled. GSA needs to provide some guidance on this topic if vehicle sharing between agencies is going to become a reality.

VA is also investigating novel solutions to help lower fleet size, such as car sharing programs (e.g., ZipCar) in metropolitan areas.

Minimal efforts are being made to reduce vehicle assignments to a single person. VA has few such assignments, and most are for remotely located personnel.

(J) Impediments to optimal fleet management.

Conflicting goals and mandates from Congress, OMB, GSA and others are obstacles that VA faces. Acquisition of low-GHG vehicles is required by law, and acquisition of 100% AFVs has been mandated by OMB. Unfortunately, most flex fuel vehicles do not qualify as low-GHG vehicles, making it difficult to meet both mandates.

The lack of vehicles available in other fuel configurations has frustrated local fleet managers. CNG and diesel-powered light-duty vehicles are generally not available through GSA Fleet, despite their higher fuel efficiency.

(K) Anomalies and possible errors.

During the process of conducting the Vehicle Allocation Methodology (VAM) for FY 2011, VA noted that the total number of vehicles in the VAM did not correspond with the total number of vehicles reported in the Federal Automotive Statistical Tool (FAST). This was attributed to the lack of a single comprehensive vehicle management information system throughout the Department.

While fuel use and mileage data entered into FAST is typically reliable on an ongoing basis, other data input into FAST is less so. Unfortunately, inconsistent use of vehicle classifications has produced improper identification of vehicles. Also, recent changes in FAST have caused confusion with proper identification of alternative fuel vehicles. The meaning of the various abbreviations used (i.e. GAS AFV, and Hybrid) is also causing confusion, which indicates there is a need for reeducation in the use of FAST.

(L) Summary and contact information.

Regina Larrabee
VA Fleet Program Manager
Regina.Larrabee@va.gov
202-632-7083

Cynthia Manurs
Budget Officer
Cynthia.Manurs@va.gov
202-461-5170

DEFINITIONS/ACRONYMS

Definitions

Alternative fuel – Alternative fuels include but are not limited to: E85 (a blend of 85% ethanol and 15% gasoline), neat (100%) biodiesel (B100), compressed natural gas, liquefied natural gas, liquefied petroleum gas or propane, and electricity.

Covered petroleum consumption – petroleum from fleet vehicles, except those vehicles considered exempt (i.e. emergency, law enforcement, and military tactical vehicles).

Acronyms

AFV	Alternatively fueled vehicle
B20	Fuel mixture of 20 percent biodiesel and 80 percent diesel
CARS	Comprehensive Automobile Reporting System
CNG	Compressed natural gas
E85	Fuel mixture of 85 percent ethanol and 15 percent gasoline
EO	Executive Order
EV	Electric vehicle
FAST	Federal Automotive Statistical Tool
FY	Fiscal Year
GHG	Greenhouse Gas
GSA	U.S. General Services Administration
GVWR	Gross vehicle weight rating
HD	Heavy duty
HEV	Hybrid electric vehicle
LSV	low-speed vehicles
LSEV	low-speed electric vehicles
MD	Medium duty
NCA	National Cemetery Administration
OAEM	Office of Asset Enterprise Management
SUV	Sport Utility Vehicle
VA	U.S. Department of Veterans Affairs
VAM	Vehicle allocation methodology
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration
VMT	Vehicle miles traveled