

**FY 2015 FLEET MANAGEMENT PLAN AND BUDGET NARRATIVE
FOR
THE U.S. DEPARTMENT OF VETERANS AFFAIRS**

Presidential Memorandum *Federal Fleet Performance*, dated May 24, 2011, requires Executive Branch agencies to maximize the acquisition of alternative fuel vehicles (AFVs) and use alternative fuels in them; limit executive fleet vehicle size to the minimum 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.

(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 VA 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 including medical centers, community-based outpatient clinics, community living centers, Vet Centers and domiciliaries. VHA requires a full range of vehicles to fulfill its mission, including ambulances, fire trucks, police vehicles, facility support vehicles, busses, and tractor-trailers, as well as light-duty vehicles such as minivans and sedans. VHA is responsible for the overwhelming majority (85%) of the Department's vehicles.

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 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 shrines, sacred to the honor and memory of those interred or memorialized there, marks Veterans' graves with a Government-furnished headstone,

marker or medallion, provides Presidential Memorial Certificates in recognition of their service to a grateful nation, and administers 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 its 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 other staff offices/organizations having a few vehicles each. VA vehicles are located at over 300 facilities throughout the United States.

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

Approved specialty vehicles - including ambulances, fire trucks, police vehicles, shop vehicles, and others - are assigned to the requesting office. Assignment of other vehicles is determined by need. Some vehicles may be further assigned to individual agents/officers based on need.

VA medical centers manage relatively large fleets that may support multiple locations. Vehicles may be assigned to outlying facilities based on demonstrated need. Fleet managers monitor the use of these vehicles and reassign them as necessary to balance utilization. Most medical centers also manage a motor pool for staff needs.

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

(C) Vehicle Allocation Methodology (VAM) target development and explanation for reported fleet size and cost changes or not meeting agency VAM targets.

In 2012, VA performed its Baseline Analysis and developed the Optimum Fleet Attainment Plan using the VAM tool provided by GSA. The master, pre-populated SharePoint list consisted of 16,505 lines of data (vehicles). Local fleet managers were asked to validate the data for their vehicles and fill in any missing data. The data fields included:

- VIN
- Tag
- Location Name
- Site ID
- Region Name Simple
- Acquisition Date
- Ownership
- Model Year
- Make
- Model
- Vehicle Type
- Fuel Type
- Assignment
- Plan Retire Year
- Law Enforcement Indicator
- Emergency Response Indicator
- Annual Mileage
- FY11 Days Used
- FY11 Total Trips
- Record Confirmed

During this time-constrained exercise, VA found and attempted to resolve a number of problems, such as duplicate/similar VINs, with mixed results. VA identified a roughly 1,500 vehicle discrepancy as compared to the numbers reported in the Federal Automotive Statistical Tool (FAST), but believed that most of the problem lay with the FAST reporting. Subsequently, VA has placed relatively low priority on resolving the discrepancies since 1) the FAST reporting could not be changed, and 2) some of the vehicles had already been turned in using GSA's normal process. Most of the originally inventoried vehicles have now been replaced

VA included all domestic fleet vehicles, including law enforcement and emergency response vehicles in the VAM analysis. Each vehicle's use was rated against the VA established utilization standards. Vehicles in service less than a year were not evaluated owing to limited data. Minimum utilization standards in effect at the time are shown in Table 1.

Table 1

Vehicle Type	Mileage Criteria	Time Criteria	
Sedans, stations wagons, and passenger carrying vans, general-purpose use	12,000 miles per year, per vehicle	15 days per month, per vehicle	15 trips 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	15 trips 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	15 trips per month, per vehicle
Medium trucks and general-purpose vehicles, 1 ½ ton through 2 ½ ton (12,500 to 23,999 GVWR)	7,500 miles per year, per vehicle	15 days per month, per vehicle	15 trips per month, per vehicle
Heavy trucks and general-purpose vehicles, 3 ton and over (24,000 GVWR and over)	7,500 miles per year, per vehicle	15 days per month, per vehicle	15 trips per month, per vehicle
Tractor/Trailer	10,000 miles per year, per vehicle	15 days per month, per vehicle	15 trips per month, per vehicle

Today VA is challenged to accurately project future vehicle needs. As highlighted previously, the 2011 GSA Optimum Fleet Attainment Plan tool does not accommodate a growing mission. All projections presume that 1) an agency's future vehicle needs are known, and 2) future vehicle needs can be reduced. Neither is true for VA owing to growing Veteran populations and evolving service delivery methods. VHA in particular has seen tremendous growth in both mission and numbers of vehicles due to Presidential and Secretarial initiatives to enhance services to Veterans. While VA uses the best available information to make projections, it is not always possible to anticipate mission growth and change needed to best serve Veterans.

Criteria used to determine whether to retain or dispose of a vehicle

In 2012 VA's vehicle-by-vehicle analysis of vehicle usage did match turned-in with replacement vehicles. All vehicles with less than 12 months of data were exempted. Vehicles that did not meet utilization criteria were reassigned rather than being turned in since due to impending new requirements arise frequently.

Today, when vehicles become due for replacement, VA analyzes need using the internal VAM Tool. The tool recommends vehicle sharing or return-without-replacement when too many vehicles are underutilized. It also recommends the best size vehicle and fuel type for the location.

VA originally had a three tier utilization criteria profile. Vehicles needed to meet one of the criteria in Table 1, to be considered fully utilized. VA later determined that the "trips per month" criterion were unnecessary. In 2013, VA eliminated that criterion. This criterion had allowed some vehicles to sit for long periods. Current VA utilization criteria are shown in Table 2.

Table 2

Utilization Standards for Motor Vehicles		
Standards Vehicle Type	Mileage	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, 1 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- 2½ tons: 12,500 to 23,999 gross vehicle weight rating (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
Truck tractors	10,000 miles per year, per vehicle	15 days per month, per vehicle

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

To mitigate the effects of mission growth, VHA has closely monitored vehicle utilization rates for the past five years. Until recently, underutilization has not been a significant issue with VA entities other than VHA, as they have small, stable fleets. Recent

organizational changes in VBA have challenged fleet optimization. However, the VBA fleet is expected to stabilize as the new organization matures.

VA strives to acquire vehicles from the most cost effective sources, with the standard procurement being leasing through GSA. A premium may be paid for timely delivery of vehicles needed under mission-driven circumstances. VA occasionally utilizes commercial leases for quick delivery of vehicles that GSA does not offer. VA fleet managers carefully consider each option and evaluate the cost implications before requesting approval for non-standard procurement. Commercial leases may cost more in the short term, but generally give VA the flexibility as the mission changes.

VA also receives vehicles through donations from Veteran Service Organizations and private donors. Accepting all donations is helpful in advancing VA's mission. Optimally, these vehicles would be appropriate alternative fuel vehicle (AFV) for the area, but that is not typically the case. VA locates donated vehicles to the most appropriate area possible. However, donor stipulations often result in sub-optimal utilization.

VA acquired 89 electric vehicles and plug-in electric vehicles (PEVs) through two GSA electric vehicle pilot programs. VA also leased 12 PEVs from GSA independent of these pilot programs.

In keeping with other mandates, VA has acquired a large number of AFVs. The current VA fleet consists of approximately 50% AFVs. However, alternative fuel is not always available in close proximity to each vehicle. In order to make the alternative fuel (primarily E85) more available, VA is investing in alternative fuel infrastructure where practicable. To date, VA has constructed E85 fueling stations at 61 medical centers around the country. In most cases, these stations are available for use by other agencies. VA will continue adding where appropriate.

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

VA continually evaluates fleet utilization. Underutilized vehicles are either reassigned or disposed of as appropriate. VA continues to encourage use of personal vehicles, short-term leases to meet 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 does not use the tiered law enforcement categorization system described in GSA Bulletin B-33. Most VA law enforcement vehicles do not fit cleanly into any of the categories. Use falls somewhere between the GSA 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. These vehicles are marked police, but may not possess heavy-duty components. This group also includes vehicles used for canine operations.
- 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. They are used to perform many of the functions in the description of LE-1 vehicles, but are not outfitted with heavy-duty components.
- Protection detail for Secretary and Deputy Secretary. Details regarding configuration 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.

All other vehicles used by VA law enforcement officials are not classified as law enforcement vehicles. 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 some other agencies, VA monitors law enforcement and emergency vehicles through the VAM tool for underutilization.

(F) Justification for restricted vehicles.

VA has specific mission requirements for vehicles. Most specialty vehicles are used to transport groups or people who cannot be comfortably accommodated in smaller vehicles. Vehicle size requirements are documented in VAM.

VA has a small executive vehicle fleet. Ten vehicles qualify as executive vehicles, five of which are assigned to the highest ranking agency officials. The remaining five executive vehicles are available in an executive motor pool for use by all other agency executives. VA reviewed the current executive fleet in response to the Presidential Memorandum *Federal Fleet Performance* for opportunities to reduce the size of the vehicles. The five executive motor pool vehicles were replaced in 2013 with vehicles that fully meet size and fuel-type requirements. VA will continue to identify possible opportunities to replace executive fleet vehicles with alternative fuel and/or low-greenhouse gas (GHG) vehicles.

The VA Executive Vehicle Listing is posted on the VA website at www.green.va.gov/fleet/. Note that the published listing does not agree with the data in FAST. Some FAST entries were determined to be incorrect after the data entry window closed.

(G) Description of vehicle replacement strategy and results.

VA centrally enforces the mandate that all vehicle acquisitions must be low-GHG whenever available and will continue to acquire primarily AFVs. VA plans to install additional fueling stations to address the challenge of supplying alternative fuels to all AFVs. Areas without E85 supplies are encouraged to consider hybrids, compressed natural gas, or electric vehicles, as appropriate. VA is already tailoring vehicle acquisitions to expected fuel availability.

VA's success in expanding its AFV acquisitions is reflected in the VAM submission. Although VA already surpasses the 75% AFV acquisition requirement, VA projects continued expansion of its AFV fleet.

VA is also attempting to relocate AFVs near fueling stations as soon as practicable. Challenges to this include special-use vehicles in mission-priority locations, outfitted for specific uses. Newly acquired AFVs are being located where the fuel is or will be available.

The GSA Optimum Fleet Attainment Plan process poorly models vehicle needs in a growing mission. VA is challenged to attain the projected fleet size. As mitigation, VA strives to minimize the number of underutilized vehicles instead of the number of vehicles on hand. While the GSA approach is backward looking, the VA VAM tool is forward looking in an effort to prevent acquisition of unnecessary vehicles. As a result, VA is successful in minimizing underutilized vehicles.

New vehicle acquisition requests undergo a two-tiered approval process. First, the requestor and local fleet manager complete VA's VAM tool request form. VAM will recommend a type of vehicle, defaulting to the smallest vehicle type that will fulfill the mission. It selects a fuel type based on location and availability. It assigns the vehicle request a score based on the predicted utilization and current utilization for similar vehicles at that location. The mid-level fleet manager reviews the request before approving the acquisition. This rigorous process ensures that vehicle acquisitions are well-controlled and underutilization is minimized.

VA policy prohibits acquiring vehicles oversized for the mission. 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 also uses motor pools and vehicle sharing to minimize fleet size. Most medical centers have motor pools rather than individual assignment. In areas where there are collocated facilities such as a medical center and a VBA regional office, the motor pool is shared across organizational boundaries.

(H) Description of the agency-wide Vehicle Management Information System (See FMR 102-34.340)

VHA's internal vehicle management information system (CARS) covers 85 percent of the VA fleet. It is used by VHA as well as some other VA fleet managers. While CARS

collects the data required by Bulletin B-15, it does not meet all of the criteria of Bulletin B-15 or interface with other systems, so some data must be entered manually.

VA has reviewed and evaluated a number of systems to replace CARS, including GSA's FedFMS system, but has yet to find a system that meets all the criteria of Bulletin B-15 AND the needs of the agency. Upcoming changes to FAST have spurred VA to begin transitioning to FedFMS. However, no local VA fleet has successfully completed the transition due to issues preventing the importation of fleet credit card data.

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

VHA shares vehicles with other VA organizations that cannot justify their own. Staff from VBA, NCA, the Office of General Counsel, the Office of Information Technology and others use vehicles from the local VHA medical center motor pools when available and needed.

VA investigated potential inter-agency vehicle sharing between the Captain James A. Lovell Federal Health Care Center and the neighboring U.S. Navy facility. Conflicting management systems, including billing systems, proved problematic. VA also identified concerns with reporting of vehicles and usage for shared fleets can be handled. If vehicle sharing between agencies is going to become a reality, additional attention to and guidance from GSA on these issues is needed.

VA created a multi-agency working group to explore consolidation of multiple agency shuttle routes in the DC area. Implementation was expected to begin in Fall 2014, but the group ran into problems with financial aspects of the sharing. Some aspects have been implemented anyway such as allowing riders from other agencies to use shuttles. Full implementation is expected to save agencies thousands of dollars every year.

(J) Impediments to optimal fleet management.

Conflicting goals and mandates present significant obstacles to VA fleet management. For example, acquisition of low-GHG vehicles is required by law, while acquisition of 100% AFVs is mandated via Presidential executive order. Only a limited number of vehicles fulfill both mandates and may not be available in sizes and models needed by VA.

(K) Anomalies and possible errors.

During the process of conducting the VAM for FY 2011, VA noted that the total number of vehicles reported in VAM did not correspond with the total number of vehicles reported in FAST. The FAST inventory indicated approximately 1500 more vehicles that could be confirmed through VAM. VA planned to resolve this issue by deploying a single interim fleet management information system. VA identified CARS as that system in late FY 2013. That plan was set-aside when GSA announced upcoming changes to FAST that would make CARS obsolete.

Comparing the VA 2011 VAM survey with more recent VAM results indicates a small percentage of underutilized vehicles. Beginning in FY 2013, VAM data were compared with FAST data. While fuel use and mileage data entered into FAST is typically reliable, other data that is input manually is less so. Inconsistent classification of vehicles is one cause. Also, recent changes in FAST have confused the proper identification of AFVs. Various abbreviations (i.e. GAS AF, and Hybrid) is also creating confusion. Because of this, the numbers of both low-GHG and AFVs have been inaccurate (low). VA made a special effort to correct this in 2014, and now has a much higher compliance rate with the low-GHG requirement.

VA has been working to obtain more cost effective vehicles especially when commercially leased vehicles are necessary. Many of the commercially leased vehicles are “specialty” vehicles and have higher operating costs. After two fiscal years of decreases, the number of commercially leased vehicles is now holding steady, and is under 0.5 percent. However, VA continues to require “specialty” vehicles to meet the agency mission.

VA made a concerted effort this year to ensure that indirect costs associated with vehicles are entered consistently across the agency. Because of this, calculated costs per vehicle have risen across the board. This is **not** an indication that VA fleet costs have actually increased.

(L) Summary and contact information.

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