TO: Heads of Federal Agencies

SUBJECT: Vehicle Allocation Methodology for Agency Fleets

1. What is the purpose and background of this bulletin? Federal Management Regulation (FMR) 102-34.50 requires that executive agencies establish and document a structured vehicle allocation methodology (VAM) to determine the appropriate size, number, and types of motor vehicles. This bulletin updates FMR Bulletin B-30 (see section 4 below) and provides guidance to agencies on conducting and documenting VAM studies to determine the optimal fleet inventory to meet the agency's mission requirements and identify resources necessary to operate those fleets effectively and efficiently.

Agency adherence to this guidance will assist agencies in addressing the vehicle utilization concerns raised in the Government Accountability Office (GAO) report, GAO-16-136, January 2016, “Federally Leased Vehicles;” complying with FMR 102-34, eliminating unnecessary or non-essential vehicles from an agency's fleet inventory; and promoting the cost-effectiveness of maintaining the agency's fleet throughout the lifecycle. All Federal entities are encouraged to follow this guidance.

2. What is the effective date of this bulletin? This bulletin is effective March 20, 2017.

3. When does this bulletin expire? This bulletin will remain in effect until specifically superseded or cancelled.


5. What is the expected outcome of implementing this bulletin? The expected outcome of implementing this VAM bulletin is the identification of an agency's optimal fleet which the agency should work toward achieving through acquisition, disposal, and transfer of motor vehicle assets.

6. What is an optimal fleet? An optimal fleet consists of the fewest vehicles and most cost efficient vehicles necessary to complete an agency's mission. It also complies with all statutory
and executive mandates and meets an agency’s utilization criteria or critical vehicle retention guidelines.

7. What is the process to determine the optimal fleet using the VAM process?

A) Develop Utilization Criteria: Utilization criteria are the measures used to justify a vehicle in an agency’s fleet. Criteria may be identical across an agency’s fleet, may differ from bureau to bureau, or may differ from location to location within an agency. Criteria can be expressed in miles traveled, hours in use, trips per day or week, number of passengers transported or any other measurements of vehicle use within an agency fleet. The purpose of utilization criteria is to provide a measure of vehicle utilization in order to identify those vehicles that are potentially underutilized or unnecessary. (Also see Appendix 1)

B) Conduct a VAM Study: Conduct a VAM study for each vehicle in the fleet at least every five (5) years. The study results should be sufficient to identify unnecessary vehicles, identify vehicles that do not match mission or location requirements, ensure that optional vehicle features (such as 4-wheel drive) are necessary, and identify opportunities for vehicle sharing. The study should also seek to identify new vehicle needs. This bulletin contains guidance to help agencies develop their study. (Also see Appendix 2)

C) Identify Critical Mission Vehicles: During the study, determine and document if any missions require vehicle retention no matter the utilization (e.g., Continuity of Operations and emergency response vehicles).

D) Determine the Optimal Fleet Profile (Inventory): Based on the VAM study, agencies should produce a profile of their optimal fleet, which summarizes the numbers and most appropriate types of vehicles required to meet mission requirements, and produces optimal compliance with relevant mandates. The optimal fleet profile is the agency’s target fleet inventory, toward which progress is measured.

E) Acquire and Dispose of Vehicles to Achieve the Optimal Fleet Profile: Develop and execute the agency’s VAM implementation strategy, the agency plan toward obtaining the optimal fleet profile. The agency VAM optimal fleet profile should be continuously pursued with results reflected in the annual Federal Automotive Statistical Tool (FAST) reporting and in the annual fleet management plan. VAM is a forward looking process to estimate agency fleet inventories and budget needs several years into the future based on the outcome of the most recent VAM study. Through the VAM process, unnecessary or non-essential vehicles, new vehicle needs, and acquisition of the most efficient
vehicles meeting the mission requirement are planned for in terms of both fiscal year acquisition and budgeting.

8. How are VAM plans and results reported? Actual inventories, as well as planned out-year inventories, are reported through annual FAST vehicle data reporting. Actual results are compared to, and progress measured against, the agency’s VAM optimal fleet profile. Discrepancies should be noted in the agency annual Fleet Management Plan (FMP). The FMP provides each agency the opportunity to discuss inventory results not matching the VAM optimal fleet profile. The FMP template is posted on the FAST website. Specific instructions on FAST submissions will be communicated to agencies annually.

9. What should we do as a result of this bulletin? Agencies should use the guidance in this bulletin to determine their optimal fleet profile and develop a plan to achieve it. Agencies should report the results through FAST and the annual agency FMP.


10. Who should we contact for further information, assistance, and/or to direct comments regarding Vehicle Allocation Methodology for Agency Fleets?

    General Services Administration Office of Government-wide Policy
    Office of Asset and Transportation Management (MA)
    1800 F Street, NW
    Washington, DC 20405
    Website: www.gsa.gov/vehiclepolicy
    E-mail Address: vehicle.policy@gsa.gov

    Agencies should contact GSA at: Vehicle.Policy@gsa.gov to request policy guidance or assistance in determining their optimal fleet profile and developing a VAM strategy.

By delegation of the Administrator of General Services,

/Giancarlo Brizzi/

Giancarlo Brizzi
Acting Associate Administrator
Office of Government-wide Policy
Appendix 1

Developing Utilization Criteria

Develop vehicle utilization criteria to justify vehicles. These criteria must be specific, objective thresholds that lead to the most efficient vehicles meeting mission needs. Agencies should consider, but are not limited to, the following objective criteria:

a) Historical/expected miles traveled
b) Hours of use
c) Trips per day, week, or month
d) Number of passengers or amount of cargo regularly transported
e) Operating terrain (on road, off-road, congested areas, open road, etc.)
f) Climate
g) Vehicle age and condition
h) Vehicle down time
i) Required response times
j) Seasonal use requirements
k) Mission criticality
Appendix 2

VAM Study example: Agencies should consider the following vehicle user survey questions when developing their agency study:

a) What tasks do you accomplish with the vehicle? Describe how those tasks support the agency’s mission.

b) Does this vehicle meet the agency’s minimum utilization standard?

c) How important is the vehicle to accomplishing the mission? Describe critical need to the mission.

d) Are there non-vehicle alternatives to accomplishing the mission? Can the work be done via alternatives to owning or leasing a vehicle such as shuttle bus services, motor pool vehicles, sharing vehicles with other offices/agencies, public transportation, or short term rentals when needed, etc.?

e) How many people will be transported per trip on a regular basis and how much and what type of cargo will the vehicle haul on a regular basis?

f) Is the vehicle shared with other employees, other agency organizations, or even other agencies?

g) Is there access to alternative fuel within 5 miles or 15 minutes of the vehicle’s garaged location, and if so, can this vehicle utilize it?

h) What type of driving conditions will the vehicle routinely be driven in (exclusively on campus setting, city, highway, off road, mostly unpaved road, harsh weather, emergency response, etc.)?

i) What special equipment is this vehicle equipped with and what justifies it (terrain, weather, mission, load, etc.)? If the special equipment is not justified, can it be omitted the next time this vehicle is replaced?

j) Does this vehicle contribute to increased alternative fuel use, petroleum consumption reduction and reduced emission goals for the agency? Would a different sized vehicle be better able to accomplish agency goals to lower petroleum use, increase alternative fuel use, reduce greenhouse gas emissions and still be capable of completing the mission?

k) Is this vehicle the least costly, most fuel efficient vehicle able to meet the mission requirements? If not, what would be?

l) If this is not the ideal vehicle for its current mission, what would be?