TO: Heads of Executive agencies

SUBJECT: Vehicle Allocation Methodology for Agency Fleets

1. What is the purpose and background of this bulletin? On May 24, 2011, the President issued Presidential Memorandum-Federal Fleet Performance. In the memorandum the President states that the Federal Government owes “a responsibility to American citizens to lead by example and contribute to meeting our national goals of reducing oil imports by one-third by 2025 and putting one million advanced vehicles on the road by 2015.”

The President directed the General Services Administration (GSA) to develop and distribute to agencies a Vehicle Allocation Methodology (VAM) within 90 days of the date of the memorandum. The VAM described in this bulletin will ensure that agencies satisfy the requirements of the Presidential Memorandum. Additionally, this bulletin requires agencies to report to GSA both their VAM results as well as their plans for achieving their optimal fleet inventory. Agencies may use existing VAM processes only if they meet the requirements of this FMR Bulletin, and agencies must output results using the VAM reporting tool set forth in Section 7 of this bulletin.

This bulletin provides guidance to Executive Branch agencies on conducting an annual VAM 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 ensure compliance with the Presidential Memorandum, eliminate unnecessary or non-essential vehicles from an agency's domestic, light duty fleet inventory, and promote the cost-effectiveness of maintaining the fleet throughout the lifecycle. Other Federal entities are encouraged to follow this guidance.

2. What is the effective date of this bulletin? This bulletin is effective August 22, 2011.

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 This bulletin will remain in effect until specifically superseded or cancelled.

4. How does this bulletin impact other FMR bulletins? This bulletin replaces the VAM guidance contained in FMR Bulletin B-9, Federal Vehicle Management. FMR Bulletin B-9 is cancelled.
5. **What are the expected outcomes of implementing this bulletin?** The expected outcome of implementing this bulletin is a Federal fleet that is comprised of smaller, more efficient, less greenhouse gas emitting vehicles that operate primarily on alternative fuels. This will be achieved through the following required agency actions:

A) The annual completion of agency VAMs that meet the requirements of the Presidential Memorandum. The result of an agency’s VAM is the identification of the optimal fleet inventory that is most efficient to meet the agency’s mission and the identification of resources necessary to operate that fleet effectively and efficiently.

B) The annual reporting of agency VAM results to GSA through the VAM Reporting Tool.

C) The development and submission to GSA of annual agency fleet management plans for achieving their optimal fleet inventories.

6. **What should our agency’s VAM entail?** A vehicle allocation results from a methodology that provides agency fleet managers a standard way to ensure that each vehicle in the fleet is correctly sized and is appropriate for accomplishing the agency missions.

The VAM shall cover an agency’s entire fleet in the United States, encompassing all vehicle types, including law enforcement and emergency response vehicles. An agency head may include overseas vehicles when he or she determines doing so is in the best interest of the United States. An agency head may also exempt vehicles used for law enforcement, protective, emergency response, or military tactical operations when in the best interest of the Government. GSA will provide further additional guidance on the applicability and implementation of alternative fueled vehicle requirements with respect to law enforcement and emergency vehicles.

Agency VAMs must encompass the following steps:

A) Establish a baseline fleet inventory profile that tracks vehicles individually.

1) Agencies are reminded that FMR §102-34.340 requires agencies to implement a fleet management information system (FMIS). The data needed for the baseline fleet profile and other components of an agency’s VAM should readily be available in an FMIS. Some data may also be available in the Federal Motor Vehicle Registration System (FMVRS) and the Federal Automotive Statistical Tool (FAST). For agencies that utilize GSA Fleet leased vehicles, GSA Fleet’s management information system is considered to meet the standards of an FMIS for those vehicles (see GSA FMR Bulletin B-15).

2) The baseline fleet inventory profile is a detailed inventory of an agency’s fleet that describes each vehicle. The data identified for each vehicle must include, but is not limited to:
a) Unique vehicle identifier (VIN, license plate, or other number);
b) Manufacturer;
c) Vehicle model;
d) Vehicle type (sedan, truck, other, etc.);
e) Vehicle size (LSEV, midsize sedan, light-duty truck, etc);
f) Vehicle model year;
g) Acquisition cost or Lease cost
h) Vehicle ownership (agency owned; GSA Fleet; commercial lease);
i) Current mileage;
j) Fuel type;
k) Passenger capacity;
l) Cargo capacity;
m) Installed equipment beyond that provided by the original equipment manufacturer;
n) The vehicle’s garaged location by address (city, state and zip code) or latitude and longitude; and
o) Vehicle in service date.

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

1) Mission;
2) Historical/expected miles of use per vehicle;
3) Historical/expected hours of use per vehicle;
4) Ratio of employees to vehicles;
5) Frequency of trips per vehicle;
6) Vehicle function;
7) Operating terrain;
8) Climate;
9) Vehicle condition, age, and retention cycle;
10) Vehicle down time;
11) Needed cargo and/or passenger capacity;
12) Required employee response times; and
13) Greenhouse gas emission level of the vehicle.

C) Conduct a utilization survey.

1) Apply utilization criteria to each vehicle; and

2) Collect additional information about each vehicle through user surveys. Such subjective information can provide valuable insight into the objective criteria. For example, a fire truck may have low utilization as it is on standby, but it is
necessary that it be available and prepared to respond to emergencies. Agencies
must consider, but are not limited to, the following vehicle user survey questions:

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

b) Does the vehicle need special equipment (aftermarket equipment not
standard to commercial vehicles and trucks) to accomplish the tasks?

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

d) How many people will be transported per trip on a regular basis?

e) How much and what type of cargo will the vehicle haul on a regular
basis?

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

g) Is there access to alternative fuel within 5 miles or 15 minutes of the
vehicle’s garaged location, and if so, where is it located and what type of
alternative fuel is available?

h) If the vehicle is an AFV, does it have an approved waiver from the use
of alternative fuel?

i) What type of driving conditions will the vehicle be in
(exclusively on campus setting, city, highway, off road, weather,
etc.)?

j) 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.?

D) Determine optimal fleet inventory.

1) Specifically identify vehicles that fall below the pre-established
minimum utilization criteria by Vehicle Identification Number and/or
license tag number and dispose of or reassign those vehicles as needed.

2) Create a list of vehicle types approved for each organization and
mission requirement. The vehicles selected should be the most efficient
possible.

3) Compare existing fleet composition to mission task needs.

4) Identify vehicles that are mission essential regardless of utilization. Is
the most efficient vehicle type currently serving that mission? If not,
incorporate re-assignment into the agency plan.

5) Evaluate alternatives such as public transportation, contract shuttle
services, or rental vehicles.

E) Review and update VAM annually or sooner as mission needs change.
1) The VAM shall be incorporated into agencies’ internal fleet policies.

2) Policies shall include procedures for future adjustments to fleet size.

7. How do we report the results of our agency VAM? With your agency VAM complete, you shall next complete the VAM Reporting Tool. The VAM Reporting Tool (available at www.gsa.gov/VAM) requires aggregated data on both existing and optimal fleet inventory by vehicle category, and acquisition/disposal projections. GSA may request additional information regarding agency VAMs and results.

The agency VAM Reporting Tool and fleet management plan must be submitted through the Federal Automotive Statistical Tool (FAST) within 180 days from the issuance of this Bulletin (and annually thereafter).

8. What must our agency’s fleet management plan entail? Once your agency’s VAM is complete, you must develop a fleet management plan that describes how your agency will achieve its optimal fleet inventory. Agencies’ fleet management plans are due to GSA (through FAST) within 180 days of the issuance of this Bulletin. Agencies’ fleet management plans must be updated annually, or as agency missions change and must consider and address the following items:

A) The schedule the agency will follow to achieve its optimal fleet inventory, including plans for beginning to acquire all AFVs by December 31, 2015.

B) Agency plans and schedules for locating alternative fueled vehicles in proximity to AFV fueling stations.

C) Vehicle sourcing decision(s) for purchasing/owning vehicles compared with leasing vehicles through GSA Fleet or commercially. When comparing cost of owned vehicles to leased vehicles, compare all direct and indirect costs projected for the lifecycle of owned vehicles to the total lease costs over an identical lifecycle. Include a rationale for acquiring vehicles from other than the most cost effective source.

D) Agencies’ fleet management plans must be incorporated into their Annual Strategic Sustainability Performance Plan (as required by Executive Order 13514) beginning in June 2012.

9. What should we do as a result of this bulletin? Each executive agency must develop and implement a VAM. Agency VAM results shall be used to complete the VAM Reporting Tool. Each agency must also create a fleet management plan. The completed VAM Reporting Tool and the Agency fleet management plan must be submitted to GSA through FAST within 180 days of the date of this Bulletin (but not later than February 17, 2012), and annually thereafter.

10. What assistance is available for the development of a VAM? Agencies are encouraged to consult the resources available at www.gsa.gov/VAM for assistance.
11. **What are the deadlines for completing the tasks required by the Presidential Memorandum-Federal Fleet Performance?**

A) As soon as practicable: Agency alternative fueled vehicles must be located in proximity to fueling stations with available alternative fuels and be operated on the alternative fuel for which the vehicle is designed.

B) November 17, 2011: Any executive agency fleet vehicles that are larger than a midsize sedan or which do not comply with alternative fueled vehicle requirements must be disclosed on agency websites.

C) 180 days after this bulletin (NLT February 17, 2012): Agencies shall determine their optimal fleet inventory using the VAM and shall post their optimal fleet inventory targets on agency websites. At the same time, agencies shall submit to the Administrator of General Services fleet management plans to achieve these targets no later than December 31, 2015.

D) June 2012: Agencies shall incorporate new fleet management plans into their Annual Strategic Sustainability Performance Plans prepared in furtherance of Executive Order 13514.

E) December 31, 2015: All new light duty vehicles leased or purchased by agencies must be alternative fueled vehicles, such as hybrid or electric, compressed natural gas, or biofuel.

12. **Who should we contact for further information and/or to direct comments regarding the subject methodology and resultant optimal vehicle allocation?**

General Services Administration  
Office of Governmentwide Policy  
Office of Travel, Transportation and Asset Management (MT)  
Washington, DC 20417  
Website: www.gsa.gov/vehiclepolicy  
E-mail Address: vehicle.policy@gsa.gov

By delegation of the Administrator of General Services,

Kathleen M. Turco  
Associate Administrator  
Governmentwide Policy