



United States Department of Agriculture

OFFICE OF OPERATIONS STANDARD OPERATING PROCEDURES	
Division or Office of Primary Interest: PPSS	Approved By: <i>Curtis Milburg</i>
Subject: Fleet Management Vehicle Acquisition Methodology (VAM) Guideline and Standard Operating Procedures (SOPs)	Effective Date: <i>2/29/2016</i>

1. Purpose

The purpose of this SOP is to outline the guidelines and operating procedures that Office of Operation (OO) managers and supervisors must follow with regard to the acquisition and disposal of motor vehicles for the purpose of achieving optimal fuel, vehicle utilization, and fleet right sizing. The objective comprises establishing OO's Federal Vehicle Allocation Methodology (VAM) and enforcing Standard Operating Procedures (SOPs) that govern how OO will monitor, determine, and take corrective action to optimize its fleet size and reduce its fleet operating cost.

2. Authority or References

- Presidential Memorandum (2011) -Federal Fleet Performance
- Motor Vehicle Management Regulations; 41 C.F.R. 102-34.340
- Executive Order 13423—Strengthening Federal Environmental, Energy, and Transportation Management (Jan 2007)
- Executive Order 13514 – Federal Leadership in Environmental, Energy, and Economic Performance (Oct 2009)
- GSA Guide to Federal Fleet Management
- FMR 102-34.50
- FMR Bulletin B-9

3. Business Case

This *Fleet Management Vehicle Acquisition Methodology (VAM) Guideline and SOP* is directly aligned with:

USDA Strategic Plan FY14-18; Strategic Goal 5; Objective 5.3; Maximize the return on taxpayer investment in USDA through stewardship of resources and focused program evaluations; as related to the cost of operating USDA/DM/OO's motor vehicle fleet.

Presidential Memorandum (2011) -Federal Fleet Performance; Section 2. Optimum Fleet Size; Establish a Federal Vehicle Allocation Methodology (VAM) for determining optimal vehicle utilization with emphasis on eliminating unnecessary and non-essential vehicles from an Agency's fleet inventory and ensuring lifecycle cost-effectiveness of maintaining such inventory. In addition, the VAM should address the composition of the Agency's light duty fleet based on its mission. The

VAM should assist with selecting vehicle options based on lifecycle cost analysis, including projected fuel costs, warranty, operations, mileage, maintenance, and disposal cost.

4. Roles and Responsibilities

This SOP pertains to all OO division managers and supervisors that manage government vehicles. One of the responsibilities of each manager and supervisor is to ensure optimal vehicle utilization with emphasis on eliminating unnecessary and non-essential vehicles and ensuring the cost-effectiveness of the remaining fleet inventory.

5. Process or Procedures

OO division managers and supervisors must not acquire any new vehicles, replace any existing vehicles, or renew any existing leases for vehicles without prior authorization from the Director of OO's designated Fleet Management Office.

The designated Fleet Management Office is the Program and Policy Support Staff (PPSS).

All OO managers and supervisors are required to notify OO's designated Fleet Management Office 120 days prior to the lease expiration of any vehicle that they manage or oversee. Vehicle leases cannot be automatically renewed or temporarily extended to extend the notification deadline.

The OO Fleet Management Office has developed vehicle utilization criteria to evaluate mission essential vehicles and to identify less efficient or non-essential vehicles for possible elimination and reduction from the fleet inventory. These criteria include, but are not limited to:

- a. Mission
- b. Historical/expected miles of use
- c. Historical/expected hours of use
- d. Ratio of employees to vehicles
- e. Frequency of trips per vehicle
- f. Vehicle function
- g. Vehicle condition, age, and retention cycle
- h. Needed cargo and/or passenger capacity
- i. Greenhouse gas emission level of the vehicle

Vehicle usage shall be evaluated against these criteria on an ongoing basis.

Any vehicle that falls below any criterion threshold for being considered essential for more than six (6) months out of a rolling 12-month period is a candidate for elimination and disposal.

Any Agency owned vehicle that is over five (5) years old or has over 100,000 miles of usage is a candidate for elimination and disposal.

Managers and supervisors with a vehicle that has been determined to be non-essential based on OO's vehicle utilization criteria will be notified of such determination via a 'Fleet Management IC Notification of Findings Memorandum'. Upon receipt of such determination, the manager or supervisor has 30 days to respond in writing either with concurrence or a justification as to why the vehicle in question is still essential to the mission of the Agency despite its underutilization based on the utilization criteria.

The convenience of having a vehicle available for incidental use is not a criterion or valid justification for being considered essential to the mission of the Agency.

OO's Fleet Management Office will review all written justifications as to why an underutilized vehicle should still be considered essential to the mission of the Agency and make a final determination. If a manager or supervisor disagrees with the final determination to eliminate or dispose of their vehicle, they may file an appeal with the Director of OPPM or their designated USDA Fleet Program Manager to request that the underutilized vehicle be re-classified as essential to the mission of the Agency.

Once a vehicle has been determined to be both non-essential and unjustified, a cost analysis shall be conducted to determine if it is advantageous to exercise any early termination options or allow the lease to expire on schedule without renewal.

Any vehicle that fails to meet the usage thresholds to be considered essential, but is justified as mission critical, shall be considered for conversion from a leased to a government owned vehicle. The OO Fleet Management Office will make a determination as to the cost savings, benefits, and risk associated with such a conversion.

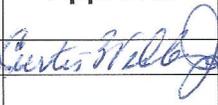
All new light duty vehicles leased or purchased by OO must be alternative fueled vehicles. The vehicles must use, and be able to readily source, the alternative fuel for which they were designed; including natural gas (CNG, LNG, biomethane) and hybrid electric. OO managers and supervisors must ensure that vehicles with multi-fuel capabilities actually use alternative fuels.

Twenty percent of all of OO's passenger vehicle acquisitions that will have lease expirations dates past December 31, 2020, must be zero emission or plug-in hybrid vehicles.

6. Performance Standards, If Applicable

Fleet Management Vehicle Utilization Criteria have been developed to evaluate mission essential vehicles and to identify less efficient and non-essential vehicles for possible elimination from the fleet inventory. These criteria are enumerated above.

7. Revision History

Revision Number	Revision Date	Approval	Description of Modification
0	2/29/2016		Initial Release