

FY 2016 FLEET MANAGEMENT PLAN AND BUDGET NARRATIVE

FOR

Department of Veterans Affairs

(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).

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% of the vehicles in the Department. The Office of the Inspector General and other staff offices/organizations manage the remainder of the fleet, having a few vehicles each. VA vehicles are located at over 300 facilities throughout the United States.

(B) Description of vehicle acquisition/replacement strategies.

VA leases most of its vehicles from GSA. VA has determined that this is generally the most cost effective way of acquiring light-duty vehicles. VA purchases vehicles which cannot be acquired through GSA's leasing program, and some larger vehicles which are determined to be more cost effective to purchase. VA also acquires some vehicles through donation.

VA centrally enforces the mandate that all vehicle acquisitions must be low-GHG emitting vehicles whenever available and will continue to acquire primarily AFVs. VA already surpasses the 75% AFV acquisition requirement, and VA projects continued expansion of its AFV fleet. Newly acquired AFVs are being located where the fuel is or will be available. 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 strives to minimize the number of underutilized vehicles instead of the number of vehicles on hand. VA uses the VA Vehicle Allocation Methodology (VAM) tool in an effort to prevent acquisition of unnecessary vehicles. 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.

VA expects to meet the new GHG emissions reduction goal (as compared to a 2014 baseline), and in fact did so in 2015. The policies and processes that VA has in place have positioned the agency to achieve the goal. VA will continue to strive to use the most efficient vehicles available to us.

Electric vehicles (EVs) have been and will continue to be a key piece of the VA sustainable fleet plan. VA sites are encouraged to add suitable EVs (battery electric or plug-in hybrid vehicles) to their fleets and/or to make infrastructure preparations for electric vehicles. This is complicated by many factors including vehicle mission, parking facility ownership and existing parking shortages, but VA continues to look for a way forward.

(C) Description of Telematics related acquisition strategies.

Some VA fleet vehicles have been using telematics for as long as ten years. VA has seen positive results from the use of telematics and mandated their use on all new vehicles in May

2013. Most of the telematics systems in use in VA today have been acquired through various contracts that GSA has had in place.

Telematics devices have not been procured centrally, but it appears that all devices used in VA today use cellular technology. While there is basis to believe that most of the devices had the maximum available features, it is impossible to state that they met the requirement of the EO mandate since the mandate is newer than most of the devices installed on VA vehicles. Devices installed on future vehicle acquisitions will meet that requirement.

Characteristics of current VA Telematics devices include one or more of the following:

- ✓ **GPS tracking** - Fleet managers can monitor the location of their vehicles in real-time by logging on to a user accessible website.
 - ✓ **Engine diagnostics** - Fleet managers can have engine diagnostics reports delivered to their email showing the current condition of the vehicle, odometer readings, idle time, emissions information and speed data.
 - ✓ **Vehicle monitoring and driver identification** - Fleet managers can track a driver of every vehicle via the usage of key fobs for the drivers or in-vehicle devices and can track who is, or was, driving any given vehicle at any particular time, as well as limit who can operate which vehicles.
 - ✓ **In-vehicle recording** – This solution uses inward and outward facing cameras to record the driver’s behavior as well as the vehicle’s surroundings. The device saves the footage from several seconds before and after a sudden movement occurs, such as sudden stop or hard turn.
 - ✓ **Instant driver feedback** – This system provides an immediate, private, in cabin indication via light activation within the driver’s line of sight. The feedback device is designed to track and report harsh breaking, sudden acceleration, cornering/high speed turns, unsafe lane changes and speeding (with a pre-determined speeding threshold).
- Other** – Describe other service
- ✓ **Fuel Usage** - Information on gallons of fuel and subsequent MPG calculations.

VA's usage of telematics systems is grass-roots driven and predates all VA and federal wide policies. Because of this, there are multiple vendors and types of systems in use across VA. Early on, the mid-level fleet managers realized that, if this trend were to continue, they would need to access multiple systems to review their fleet data and reports. Most of these mid-level fleet managers insisted on standardization across their subordinate fleets. Standardization is now recommended to anyone just starting with telematics.

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

VA's fleet has increased by 40% since 2009 when new Veteran outreach programs were established, with a similar upward trend in the number of VA FTEs. That period of increases in fleet growth is now tailing off.

VA fleet managers are aware of and use various alternative vehicle programs (short term rental, pooling, public transportation, etc.) as appropriate. However, the nature of some VA programs makes it difficult to share vehicles even within VA due to health concerns.

Future projections of vehicle needs are often based on the local fleet managers' knowledge of needs, but the fleet managers do not always know when new requirements will materialize. Many program decisions are made at levels far above the fleet manager and information may not reach them in a timely manner. Fleet managers lacking knowledge of fleet changes usually just report expected GSA vehicle turnover.

(E) Description of Vehicle Assignments and Vehicle Sharing.

Vehicles in VA are assigned by need. Some vehicles are assigned to specific offices or people due to mission requirements. Others are assigned to local "daily use pools" for further assignment on an as-needed basis. VHA also 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 how reporting of vehicles and usage for shared fleets can be handled, but GSA has never addressed these concerns. If vehicle sharing between agencies is going to become a reality, additional attention to and guidance from GSA on these issues is needed.

Home-to-Work vehicles are extremely limited in VA. Approval of Home-to-Work must be requested from the Secretary of Veterans Affairs by the office that employs the individual requesting the Home-to-Work vehicle. Currently, only one individual in VA is approved for Home-to-Work.

(F) Evidence of Vehicle Allocation Methodology (VAM) Planning.

In 2012, VA performed its Baseline Analysis and developed the Optimum Fleet Attainment Plan using the GSA-provided VAM tool. 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 the 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 (days)	Time Criteria (trips)
Sedans, station 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

VA originally had a three tier utilization criteria profile. Vehicles needed to meet one of the criteria (miles, days used, or trips) to be considered fully utilized. In 2013, VA later determined that the “trips per month” criterion was unnecessary, and eliminated that criterion. Most

recently, VA simplified the utilization criteria by removing the different mileage thresholds for different categories of vehicles. Current utilization criteria are shown in Table 2.

Table 2

Utilization Standards for Motor Vehicles

Standards Vehicle Type	Mileage	Time Criteria
All vehicles	10,000 miles per year, per vehicle	144 days per year, per vehicle

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

In March 2016, VA officially designated the combination of GSA DriveThru (for GSA leased vehicles) and FedFMS (for owned and commercially leased vehicles) as its Fleet Management Information System. Based on available information, VA believes that the two system combination identifies and collects accurate inventory, cost, and use data that cover the complete lifecycle of each motor vehicle (acquisition, operation, maintenance, and disposal), as well as provides the information necessary to satisfy both internal and external reporting requirements.

Since VA uses a GSA FMIS system, VA believes that the system already collects the 70 mandatory data elements. GSA has reassured VA that if any elements are missing, they will be added in time for the FY 2017 reporting.

While VA has telematics systems in use, GSA DriveThru and FedFMS do not currently collect data from the telematics devices automatically. Some fleet managers do use the telematics to collect the reporting information from vehicles, but it is input manually into the systems.

(H) 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 does not use the law enforcement classification system described in GSA Bulletin FMR B-29. VA's law enforcement vehicles are not necessarily used in the same way as outlined in the bulletin.

VA has no limousines in its inventory. VA has one armored vehicle in a high risk area. That vehicle was procured at no cost.

(I) Impediments to optimal fleet management.

Executive Order 13693, Planning for Federal Sustainability in the Next Decade, section 3(g)(iii) requires that telematics be installed at a vehicle asset level for all new passenger and light duty vehicle acquisitions and for medium duty vehicles where appropriate. In order to meet this requirement, VA is reallocating funds in its fleet budget to ensure telematics collect the maximum vehicle diagnostics (fuel consumption, emissions, maintenance, utilization, idling, speed, and location data) at the asset level for acquisitions of new light duty and medium duty vehicles. The EV requirements are new and just entering the planning stages. It's too early to tell if facilities will be able to get funding for EV infrastructure by 2019 and for EVs by 2020.

Some of VA's missions cannot be carried out while also satisfying cost-cutting utilization requirements, as this would hinder VA's ability to have vehicles on-hand when needed.

(J) Anomalies and possible errors.

VA presumes that, while the accuracy of the FAST report increases every year, there will still be errors due to the manual nature of the reporting. We are unable to identify any specific errors or omissions at this time.

(K) Summary and contact information.

The fleet program manager handles the VAM review, while the budget official reviews the budget data. The Chief Sustainability Officer oversees the execution of the fleet program, but did not participate materially in the VAM process.

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