



Department of State Fleet Management Plan

March 2014



Table of Contents

A. Introduction	3
B. Criteria for Justifying and Assigning Vehicles	11
C. VAM Target, Development, Explanation of Reported Fleet Size and Cost Changes, Not Meeting Target Projections.....	15
D. Initiatives to Control Fleet Size and Cost.....	23
E. Categorization of Law Enforcement (LE) Vehicles	26
F. Justification for Restricted Vehicles	27
G. Vehicle Replacement Strategy and Results	28
H. Vehicle Management Information System Description	32
I. Vehicle Sharing Practices and Plans	35
J. Impediments to Optimal Fleet Management.....	37
K. Anomalies and Possible Errors.....	40
L. Summary and Contact Information	41
M. Appendix A: VAM Survey and Results.....	43
N. Appendix B: Acronym Glossary.....	49



A. Introduction

Agency Primary/Core Mission, Organizational and Geographic Structure, and Fleet Configuration

The Department of State operates an international and domestic fleet of vehicles required to meet security and diplomatic priorities in challenging climates faced with decaying infrastructures at many overseas locations. Vehicle demands range from secure armored transport for diplomats to pickup trucks for maintenance purposes. Additionally, to meet the daily and emergency needs of posts in developing countries, a variety of specialty vehicles are often required, such as fire engines, ambulances, emergency response vehicles, water delivery trucks, and mail transportation vehicles. The size and composition of the Department's global and operationally decentralized fleet are critical to supporting State's mission to:

“Advance freedom for the benefit of the American people and the international community by helping to build and sustain a more democratic, secure, and prosperous world composed of well-governed states that respond to the needs of their people, reduce widespread poverty, and act responsibly within the international system.”

The Department allocates its overseas fleet, which constitutes 88% of the 2013 inventory, to embassies, consulates, and missions around the world. Six regional offices support embassies in their respective parts of the globe: Africa (AF), the Americas (WHA), East Asia and Pacific (EAP), Europe and Eurasia (EUR), Middle East and North Africa (NEA), and South and Central Asia (SCA).

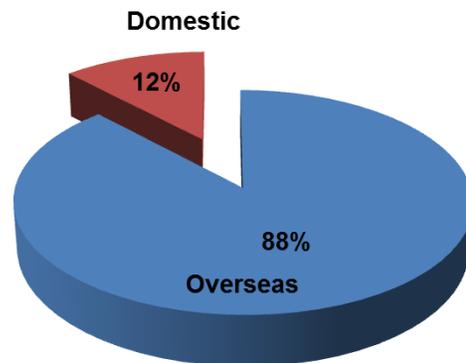


Figure 1: DOS Fleet Composition

The domestic fleet, which constitutes 12% of the Department's 2013 inventory, is allocated to Bureaus with offices located across the United States, including: the Bureau of Diplomatic Security (DS), the International Boundary and Water Commission (IBWC), Bureau of Overseas Building Operations (OBO), and the Fleet Management & Operations Division (FMO) of the Office of General Services Management.

In December 2007, the Department established a Fleet Management Council (FMC) in response to the Office of Management and Budget's (OMB) management review of federal motor vehicle fleets and initiatives by the General Services Administration's (GSA) Office of Government-wide Policy. The FMC helps further Department goals to improve overall management, accountability, cost-effectiveness, data collection, and fleet reporting. Council members coordinate efforts to improve global fleet management, enhance communication



across dispersed fleet organizations (both domestically and overseas), and respond to regulatory requirements in a cohesive manner. The FMC's primary areas of focus are:

- Reporting through a Fleet Management Information System (FMIS)
- Vehicle Allocation Methodology (VAM)
- Safety Program and Policies
- Cost Control and Rightsizing
- Fleet Policies
- Replacement Planning
- Lifecycle Costs
- Vehicle Acquisition
- Alternative Fuels and Fleet Efficiency
- Accurate of Global Motor Vehicle (MV) Inventories

With representation from 17 different Bureaus/Offices within the Department, the FMC supplies the organizational leadership required to implement the Fleet Management Plan (FMP). Through shared membership, the FMC is linked to the Department of State Greening Council and ultimately reports to the Under Secretary for Management in his capacity as the Department's Senior Sustainability Officer. This organizational structure ensures the integration of the FMP with the Annual Strategic Sustainability Performance Plan.

The FMC also oversees the Department's Vehicle Allocation Methodology (VAM) process, through which the Department's entire motor vehicle fleet is assessed on an annual basis. The VAM process requires extensive collaboration among Department fleet stakeholders, who have collaborated successfully over the past two years to submit individual surveys for nearly every single vehicle in the fleet. VAM results now inform rightsizing decisions, documented in this plan, which will assist the Department in optimizing its fleet by 2015.

For VAM reporting the Department's vehicular statistics are organized under the following five reporting elements as applied throughout this document: Overseas, Diplomatic Security (DS), Fleet Management & Operations (FMO), International Boundary and Water Commission (IBWC), and Overseas Building Operations (OBO).

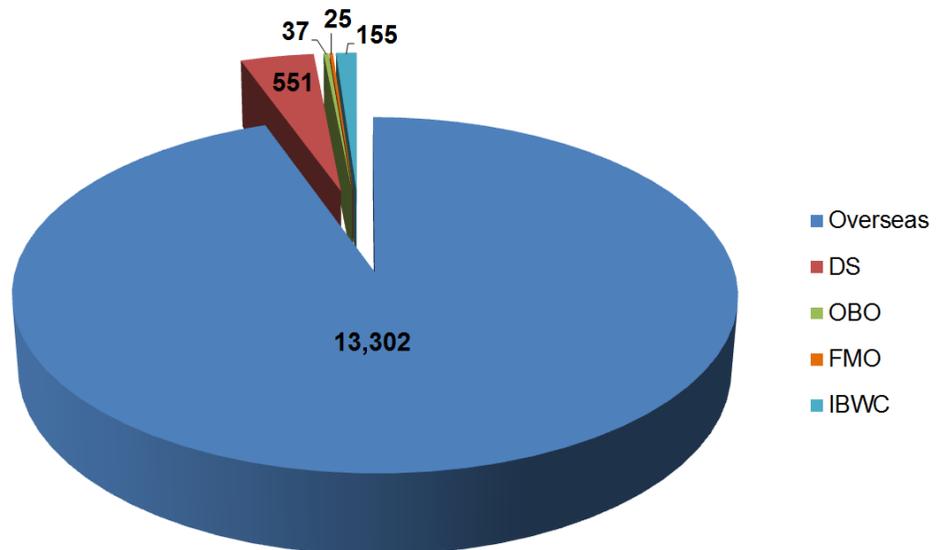


Figure 1a: DOS Fleet Composition - Detailed



Support of Ancillary Missions, including Administrative Functions

Foreign Ancillary Missions

Each overseas U.S. mission develops an annual Integrated Country Strategy and Mission Resource Request (MRR), which describes the role of motor vehicles in supporting overseas embassies, consulates and posts. This is a multi-year strategic document that features: a Chief of Mission statement, a Foreign Assistance priorities narrative, goal papers, performance indicators, and a request for State Operations and Foreign Assistance resources, including fleet requirements. The annual MRR provides the overarching U.S. Government foreign policy basis for out-year mission activities, a collective understanding of priorities and performance that reveals the actual direction and status of U.S. Foreign Policy in the field, and the strategic context and policy parameters for tactical decisions and operational programming. The MRR is the critical first step in the annual planning process which advises the Senior Review process and culminates in the submission of the President's Budget to Congress.

In addition to the foundational MRRs, other international ancillary missions for which the Department allocates its overseas vehicles include: diplomatic and administrative support, diplomatic and staff security, overseas buildings, and international narcotics and law enforcement.

Diplomatic and Administrative Support: The International Cooperative Administrative Support Services (ICASS) system is the Department's shared services platform and principal means of providing and sharing the cost of common administrative support across all foreign affairs agencies at more than 250 participating diplomatic and consular posts. ICASS encompasses a range of administrative services, including: motor pool operations, vehicle maintenance, shipping and customs clearance, and building operations. For motor pool operations, ICASS includes vehicle operating expenses, dispatch and driver services, uniform costs for motor pool staff, and physical and eye exams for drivers. Under ICASS, each post budgets for, funds, acquires, and manages its own ICASS vehicles.

ICASS is a self-funding cost-sharing system; in the long run, the revenue from charges to customer agencies should equal the cost of service provided. The OMB granted ICASS authority for a no-year (revolving) capital fund program in 1996. This program is in place at approximately 95% of all posts.

ICASS managed services sustain the entire post, including personnel transportation and vehicles required for tasks such as emergency response, electricity maintenance, waste haulage, and building maintenance. While some posts also have on-site ICASS supported vehicle maintenance and repair services, traditional fleet maintenance are outsourced when possible.

Outside of ICASS, agencies represented overseas may operate Program Vehicles funded directly by the respective agency's appropriated funds (including the Department of State).



This is particularly true among smaller posts that may not have an ICASS program in place but still require program vehicles to meet their transportation needs.

In addition to supporting mission personnel, many posts must meet non-routine transportation demands as an extended ancillary mission. These include:

- **Congressional Delegations/VIP Visits:** Official Congressional and Executive Branch delegations travel frequently to posts. While not exclusively, these visits occur most often in locations with active military engagement or where the U.S. Government has a deep and broad-ranging bilateral relationship. Extensive transportation support is often necessary for visit support and security reasons, and can limit the availability of vehicles for daily mission work unless additional vehicles are identified for visits. While these visits can occur well over fifty times a year for select posts (including examples of over 200 visits in a single year), the frequency and high profile of the visitors creates an increased motor pool need, regardless of total post size.
- **Multi-lateral Conferences:** Similar to congressional visits, multinational conferences such as Asian-Pacific Economic Cooperation (APEC), North Atlantic Treaty Organization (NATO) or the World Economic Forum (WEF) require support for representatives from multiple U.S. agencies and embassies and place a competing demand on mission fleet requirements.

Diplomatic and Staff Security: The mission of DS, the Department's law enforcement and security organization, is to provide a secure environment for the conduct of American diplomacy. DS protects people, property, and information at more than 285 posts worldwide, as well as dignitaries within the U.S. The high-threat and security-driven mission of DS dictates the vehicle types and inventory required. Additionally, since many embassies, consulates, and missions are situated in dangerous or physically challenging locations, many posts are characterized as "hardship" or "danger" posts, resulting in unique vehicle and inventory demands and costs.

In high-risk locations, having a sufficient number of vehicles are critical to a post's ability to react to emergencies and protect personnel. For example, in August 2013 when a post in the SCA region was forced to suspend operations due to a serious threat, the movement of personnel and sensitive material to a designated safe location was accomplished safely and securely by overland movement in fully armored vehicles. In fact, many posts' official evacuation plans call for ground-based transportation of staff to designated safe areas. Such scenarios make it prudent to retain a fleet size sufficient and flexible enough to meet these contingencies while still providing efficient day-to-day fleet operations. At high risk locations, the Regional Security Officers (RSOs) also routinely respond to situations outside of secure diplomatic facilities such as criminal activity or incidents where American-affiliated personnel require assistance. Having armored vehicles provides an extra layer of protection for the personnel responding and those being assisted. These vehicles are also critical to supporting posts operating in difficult environments. One post reports that delivery of diplomatic pouches is accomplished by a multi-vehicle overland convoy that requires more than a full working day to accomplish.



While overseas fleets are generally used by all mission personnel and are unassigned, there are limited exceptions. The Chief of Mission (COM) and in select cases other senior personnel at post have assigned armored vehicles. Marine Security Guard (MSG) detachments also have dedicated drivers and vehicles. With the exception of the detachment commander, individual Marines are not permitted to have personally owned vehicles (POVs) at post, so assigned vehicles provide transportation between work and lodging. In addition, the security fleet includes vehicles used for roving patrols, surveillance detection units, advance, lead and follow vehicles, and dedicated react vehicles.

Overseas Buildings: The mission of the Bureau of Overseas Buildings Operations (OBO) is to provide safe, secure, and functional facilities that represent the U.S. Government to the host nation and support staff in the achievement of U.S. foreign policy objectives. To achieve this outcome, OBO requires vehicles for specific large overseas construction projects, the number and types of which vary from year to year. For construction in a high-risk location, one or more armored vehicles may be acquired and operated for the life of the project. Although the number of vehicles for OBO purposes is relatively small, their requirements can cause unpredictability in long-term reporting and optimization of overseas fleets.

International Narcotics and Law Enforcement: The Bureau of International Narcotics and Law Enforcement Affairs (INL) is dedicated to strengthening criminal justice systems, countering the flow of illegal narcotics, and minimizing transnational crime. INL plays a key role in leading the development and synchronization of U.S. international drug and crime assistance. By virtue of its mission, INL operates in challenging, remote, and dangerous nations. INL manages a dynamic fleet to support complex and hazardous mission requirements.

Domestic Ancillary Missions

Domestic ancillary missions include diplomatic and administrative support, diplomatic security and training, and enforcement of U.S./Mexico boundary and water treaties:

Diplomatic and Administrative Support: Fleet Management & Operations (FMO) provides domestic transportation services to meet fleet needs throughout the country. However, the organization primarily supports Headquarters (HQ) administration by providing a motor pool with dispatch and driver services, as well as an essential shuttle bus program that operates throughout the Washington, D.C. area.

Diplomatic Security and Training: Domestically, DS operates 24 hours a day, seven days a week in 8 regions and has 30 office sites with vehicles allocated to each office for criminal investigative work and dignitary protection. During 2013, the most recent period for which statistics are available, DS deployed its fleet to successfully protect 140 visiting foreign officials at 219 U.S. city stops, for a combined total of 721 calendar days. In addition, certain senior Department positions, such as the Secretary of State and the U.S.

2013 DS Statistics:

140 Visiting Foreign Officials

219 U.S. City Stops

721 Total Days of Protection



Permanent Representative to the United Nations, are assigned full-time DS protective details with associated support vehicles.

Due to the high volume of armored vehicles in the overseas and domestic fleet, a specialized armored car training program is in place to equip all drivers of these vehicles with the required operating skills. This training program is run by DS personnel and requires an inventory of specialized cars, many of which have been substantially altered to meet the needs of the training program and are not used for typical transportation purposes.

U.S./Mexico Water/Boundary Treaties: The International Boundary and Water Commission (IBWC) fleet consists primarily of light and heavy cargo trucks, sedans and passenger vans located in field offices along the U.S./Mexico border, extending from Texas to California. IBWC is responsible for addressing water and boundary problems arising along the 1,952 miles of border common to the U.S. and Mexico. Vehicles are assigned to all offices including the HQ in El Paso. Among the organization's responsibilities, IBWC maintains power-plants, dams, and levees; consequently, vehicles often operate off-road (e.g., on top of levees) and the fleet inventory must be equipped to operate in these unique conditions.



Primary Use of Vehicles and Need for Particular Vehicle Quantities/Types Due to Mission Requirements

The Department's fleet is primarily used to support security for personnel and foreign officials, enable maintenance and support activities, and provide flexibility for the Department to execute its global diplomatic mission.



The nature of the Department's mission and activities create the need for focused security, often requiring armored vehicles. These are positioned at overseas diplomatic facilities and are sometimes designated for quick reaction. Armoring requires larger and more powerful vehicles to accommodate the additional weight that is necessary to support the heavy duty cooling systems. Embassies, ambassadors, and other diplomatic personnel are subject to attack and armored vehicles have proven critical in providing additional security. For example, on Monday, September 3, 2012, a suicide car bomb targeted an armored U.S. diplomatic vehicle in Peshawar, Pakistan, killing several bystanders and wounding 19. Fortunately, no Embassy personnel inside the armored vehicle were killed. In February 2014, an armored vehicle returning to a U.S. Embassy compound at a high threat Middle East post was found to have two bullet impacts in a window which did not penetrate or injure the passengers.

The domestic FMO fleet consists mainly of administrative-use sedans, SUVs, buses, passenger vans, and light cargo trucks located primarily in the metropolitan area of Washington, D.C.

The bulk of the IBWC fleet consists of 4x4 pickups, required because they travel over unpaved roads and on levees to support IBWC's mission. They are also used for emergency response, especially in Texas, where flooding occurs. The HQ in El Paso has three motor pool vehicles. IBWC also has several Law Enforcement (LE) vehicles due to increasing violence along the U.S./Mexican border.

In addition, embassies, consulates and missions require sedans, sport utility vehicles (SUVs), vans for transportation, and trucks for facility maintenance.



An overview of the 2013 worldwide fleet inventory, reported through the Federal Automotive Statistical Tool (FAST), is highlighted in Table 1 below. Inventory data reported via FAST includes all vehicles in the Department’s operating inventory as of the last day of the fiscal year, September 30, 2013.

FY13 FAST Inventory	Count
Sedans/St Wagons	2,449
Ambulances	15
Buses	154
LD Trucks 4x2	2,111
LD Trucks 4x4	2,805
MD Vehicles	4,765
HD Vehicles	732
Total:	13,031

Table 1: 2013 FAST Inventory

The vehicle inventory counts and statistics noted throughout this plan are those subject to the VAM study, which included all Department-owned vehicles in-service at any point during FY13 (October 1, 2012-September 30, 2013), including those disposed within FY13. As a result, the vehicle inventory reported throughout the plan may exhibit minor variations from the inventory, projected acquisitions, and disposals reported for the March FAST data call.

The table below organizes the domestic fleet by ownership. GSA Leased vehicles comprise 65% of the fleet, while Agency Owned and Commercial Leased vehicles constitute the other 35%.

	Agency Owned	Commercial Leased	GSA Leased	Total
DS	279	183	790	1,252
FMO	25	16	178	219
IBWC	59	0	83	142
Total	363	199	1,051	1,613

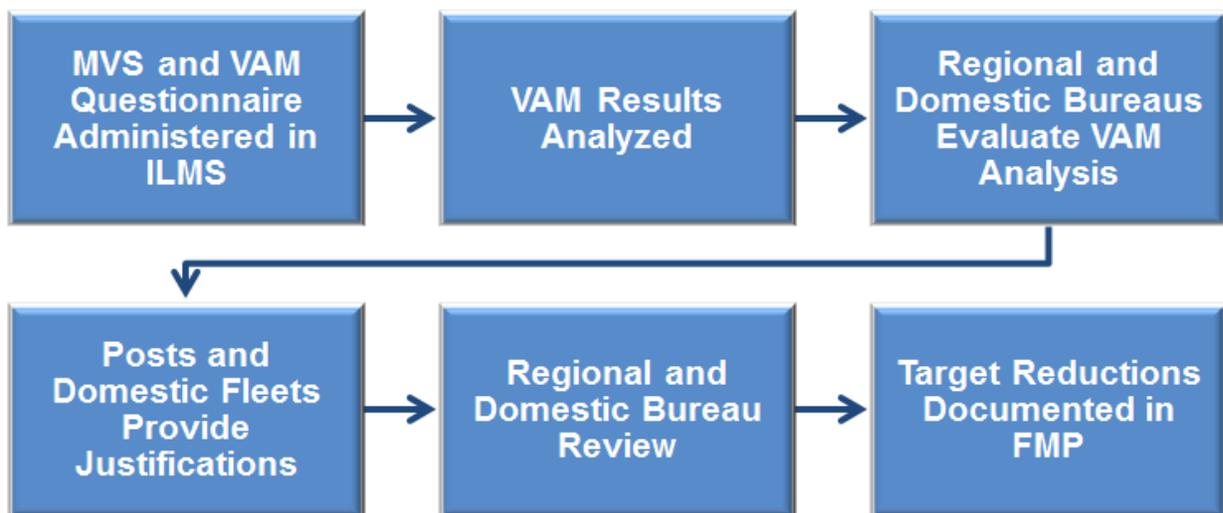
Table 2: Domestic Fleet Inventory 2013



B. Criteria for Justifying and Assigning Vehicles

Factors and Considerations Used to Determine Vehicle Assignments and Method for Assigning Vehicles

The Department uses an annual VAM survey to determine vehicle assignments and assess the size, composition, and allocation of the fleet during the FY13 VAM process. By administering a 23-question survey for 99.5% of vehicles in the fleet, the Department evaluated each vehicle's purpose, utilization, and criticality to supporting the mission.



The Department analyzed VAM survey responses using a tool to determine a future-need recommendation on a vehicle-by-vehicle basis. The tool categorizes vehicles by recommendation to retain or dispose. The FMC and other domestic and overseas fleet management stakeholders reviewed the results of the tool's analysis and provided additional details for any vehicles that were originally recommend for elimination, but should be retained because of their role in supporting mission requirements. Below is a summary of the recommendations from the VAM analysis.

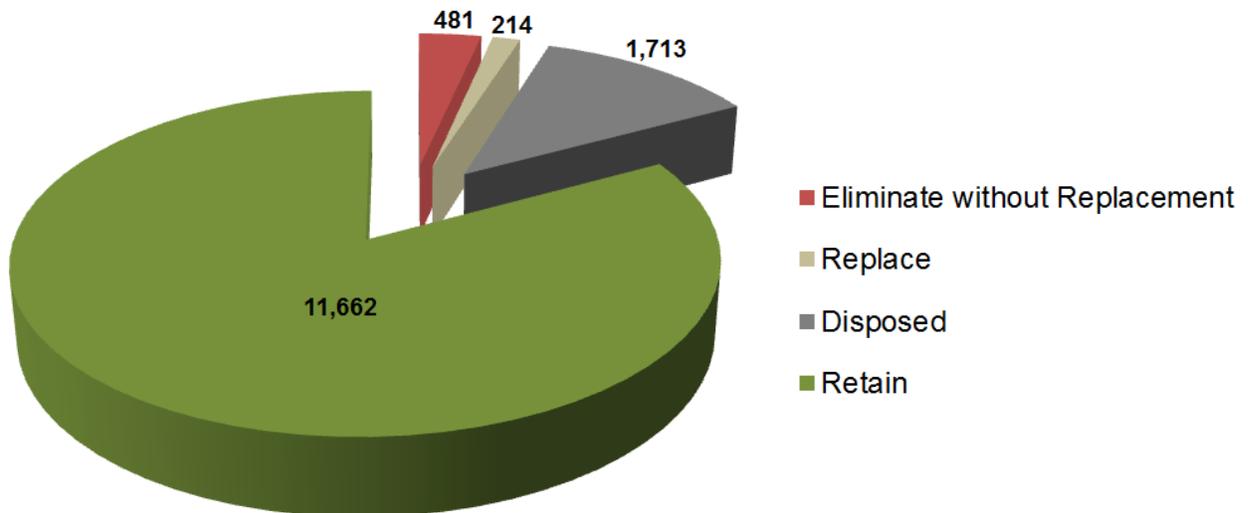


Figure 2: Overall FY13 VAM Results

Based on the results of the VAM analysis, below is a summary of the FY13 fleet and recommended changes to achieve an optimized fleet size by FY15. The vehicle slot change in the table below considers all vehicles that received a VAM Action of “Eliminate” at the conclusion of the FY13 VAM.

Vehicle Type	FY13 Baseline Fleet	Vehicle Slot Change	FY15 Optimized Fleet
Bus/Amb	167	(25)	142
HD Truck	737	(71)	666
Limo	60	0	60
Pick-Up	2,684	(652)	2,032
Sedan/Coupe	1,470	(310)	1,160
Station Wagon	962	(152)	810
SUV	5,607	(916)	4,691
Van	2,383	(282)	2,101
Grand Total	14,070	(2408)	11,662

Table 3: Current Fleet and Optimized Fleet Composition by Type

Vehicle Assignments

A majority of the Department vehicles are assigned to a motor pool in support of the mission and population overseas. In addition, Department vehicles are not assigned to individuals; instead, they are assigned to positions, offices, or job classifications. The Department determines vehicles assignments based on primary and ancillary missions. For example, diplomatic security is an ancillary mission that requires armored sedans to transport the Chiefs of Mission. As another example, overseas administrative support requires that housing be properly maintained so pickup trucks are assigned to embassy departments for use by groups of personnel who perform electrical, plumbing, air-conditioning and other maintenance and repair services.

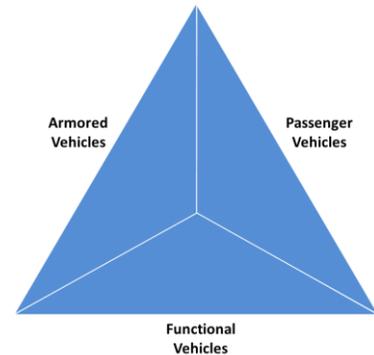


In FY12 fifty-one vehicles were originally reported to FAST as limousines, however, research determined that only a small number fit the outlined definition. These limousines are used by the Secretary and the Office of Protection. Improperly categorized vehicles were updated with the correct vehicle category for FY13. Additionally, ongoing initiatives with the domestic Fleet Management and Operations Division and overseas fleet managers facilitate continuing vehicle classification education so that correct data is reflected in the Department’s system of record, the Integrated Logistics Management System (ILMS).

Below are the vehicle justification and assignment criteria for the five reporting elements. Through the VAM process described above, the Department reviewed and revised these assignments as needed.

Overseas: Most non-domestic vehicles belong to one of three categories:

- **Category One:** At most posts, one armored vehicle is assigned for the use of the Chief of Mission/Principal Officer, otherwise known as either an Ambassador or Consul General. Marine Security Guard vehicles also fall under this category.
- **Category Two:** This category includes passenger vehicles from a motor pool used to provide transportation for staff. Drivers are generally provided. Overseas armored vehicles are justified and assigned based on the threat conditions and security requirements at each post. The remainder of passenger vehicles are justified and assigned based upon local host country driving conditions, the availability of public transportation, security concerns, and political threat in conjunction with the number of personnel at post.
- **Category Three:** This category includes “functional vehicles,” including: water trucks, emergency units, man lifts (or “cherry pickers”), etc. that are assigned to a department at post.



FMO: FMO vehicles are working capital funded. Client bureaus request authority through their chain of command and receive funding commitment for the vehicle support from their comptroller or budget officer. FMO does not assign a vehicle or provide transportation service if justification is, in whole or in part, *unofficial use* (such as for home-to-work transportation or for personal convenience).

All FMO vehicles are included in the Department’s VAM process, and FMO bases its vehicle justification documentation on mileage data and survey information. Any vehicle that does not meet utilization and/or criticality standards is subject to removal from the fleet if the FMO client does not provide suitable justification.

The FMO motor pool meets the transportation needs for executives and staff. Individuals can sign up for self-drive vehicles; however, dispatch and driver services are available.



DS: DS fleet vehicles are justified and assigned to the investigative, administrative and law enforcement offices based on mission needs and personnel strength levels. Vehicles are required for protection, such as motorcades, where both transport and follow-on units are utilized. Vehicles are also used for training and are assigned to several training facilities, including the Federal Law Enforcement Training Center (FLETC). The Department locates vehicles at the United Nations for security and protection purposes, and provides vehicles for technology-related law enforcement purposes and to carry and transport sensitive equipment. Diplomatic couriers also need vehicles to carry classified documents from one office to another or to airports. A small motor pool meets the administrative needs of DS HQ.

IBWC: The only position assigned a vehicle within IBWC is the United States Commissioner. Each office has a different mission. Terrain and type of use are the key factors that determine vehicle types. The fleet management office, located in the HQ in El Paso, TX, routinely reviews office requirements to determine adequate numbers of vehicles required to accomplish the various missions pursuant to treaties between the U.S. and Mexico. Under authority provided by 22 USC, Chapter 7, subchapter IV, the Commission ensures that missions entrusted to IBWC can be fully accomplished by justifying and assigning an adequate number of vehicles.

OBO: The project requirements, location, and availability of vehicle resources in the post motor pool play significant factors in determining whether or not a vehicle will be assigned to an OBO Project Director. A project located at a remote site at post will generally qualify for the assignment of a vehicle. The assignment of additional vehicles at a remote site must be justified according to the individual requirements of the project. Projects at non-remote sites or in urban settings will not automatically qualify for the assignment of a vehicle, instead, the availability of public transportation or motor pool vehicles is considered as the first option.



C. VAM Target, Development, Explanation of Reported Fleet Size and Cost Changes, Not Meeting Target Projections

Method used to Produce Vehicle Allocation Methodology (VAM) Targets

The Vehicle Allocation Methodology (VAM) analysis conducted by the Department of State uses the qualitative and quantitative data provided within annual Motor Vehicle Survey (MVS) and VAM questionnaires completed using the Department’s Integrated Logistics Management System (ILMS). The responses provided by domestic and overseas fleet managers are analyzed on an individual vehicle basis according to criteria identified by the Department’s Fleet Management Council (FMC). The factors considered are: vehicle age, usage, reported hours driven, trips per year, criticality, overseas motor pool hardship, danger, and public transportation options. The tables below displays vehicle type and criticality parameters used in Department VAM analysis:

Vehicle Type	Miles/Yr Weight	Hrs/Yr Weight	Trips/Yr Weight	Utilization		Criticality	
				Fail	Pass	Fail	Pass
Bus/Ambulance	60%	20%	20%	40%	50%	40%	45%
Heavy-Duty Truck	50%	30%	20%	40%	50%	40%	45%
Limo	70%	15%	15%	50%	60%	60%	70%
Pick-up	50%	30%	20%	50%	60%	40%	45%
Sedan/Coupe	80%	10%	10%	50%	60%	45%	55%
Station Wagon	80%	10%	10%	50%	60%	45%	55%
SUV	80%	10%	10%	50%	60%	45%	55%
Van	80%	10%	10%	50%	60%	45%	55%

Table 4: VAM Vehicle Type Parameters



Question	Weight
Q9. Armored Vehicle	0%
Q10. Emergency vehicle	7%
Q11. Backup/Spare Vehicle	0%
Q12. Law Enforcement Vehicle	0%
Q13. Have Installed Equipment	10%
Q14. Tools/Equipment Secured	7%
Q15. Tools/Equip diff to carry	4%
Q16. Use Public Transport?	7%
Q17. Pooling/Sharing Possible	7%
Q18. Chauffeur Driven	7%
Q19. On-call Taxi meets req	7%
Hardship (0,5,10,15,20,25,30,35)	15%
Danger (0,5,10,15,20,25,30,35)	26%

Table 5: VAM Criticality Parameters

As a result of the VAM analysis, each vehicle receives a VAM recommendation of *Eliminate*, *Questionable* or *Retain*. The table below displays the list of reasons for which a vehicle is placed into a specific VAM recommendation category:

Recommendation	Reason	
Eliminate	Disposals	Vehicles identified in inventory as disposed during the FY.
	Beyond Repair	Vehicles identified in the VAM Questionnaire as 'Cannot be operated or repaired'.
	VAM Answer	Vehicles placed into the Eliminate category based on utilization and criticality reported in the VAM.
Questionable	Law Enforcement Non-Armored	Vehicles identified in the VAM Questionnaire as 'Law Enforcement' but ILMS vehicle record does not indicate armoring.
	Data Issue	Vehicles having questionable data on VAM Questionnaire (e.g. >30,000 annual miles or 3,900 annual hours driven).
	VAM Answer	Vehicles placed into the Questionable category based on utilization and criticality reported in the VAM.
Retain	New Vehicle	Vehicles less than one year old.
	VAM Answer	Vehicles placed into the Retain Category based on utilization and criticality reported in the VAM.
	Justified	Vehicle designated as critical to Post operations during the previous fiscal year's VAM Justification process that does not require re-justification.

Table 6: VAM Recommendation Categories



VAM recommendations are shared with domestic and overseas fleet managers during the second phase of the process, VAM Justification. During this phase, fleet managers are required to complete a review of the VAM Recommendation to ensure that the needs of their mission are considered and the correct vehicles are identified for action (*Eliminate vs. Retain*). The Department requires domestic and overseas fleet managers to provide additional justification for any vehicles categorized as *Questionable* or *Eliminate* that they feel necessary to retain in their fleet. Justifications are reviewed during the final phase of the VAM process, the VAM action. During the VAM action, justifications are reviewed in a joint and intensive management review between fleet managers and the assigned Post Management Officer (PMO). At the conclusion of the VAM Action phase, all vehicles are categorized as *Retain* or *Eliminate*.

The findings of the comprehensive VAM Study (VAM analysis, VAM Justifications, and VAM Action) identify the Department's optimal fleet level and serve as the foundation for this Fleet Management Plan. On a monthly basis, Office of Logistics Management (ALM) representatives provide fleet stakeholders a report used to verify the Department progress to meet FY12/FY13 VAM Action objectives. The Fleet Management Council (FMC) is used as the forum to review the progress of the FY12/FY13 VAM Actions.

In October 2013, several improvements were incorporated into the ILMS Motor Vehicle Acquisitions module to implement better internal controls and provide visibility into whether vehicle acquisitions represent an increase in the fleet size or are intended as replacements for existing vehicles awaiting disposal. Enhancements were also incorporated into ILMS to prevent users from manually entering Department-funded vehicles without first having gone through the Motor Vehicle Acquisitions review process. These improvements are providing fleet stakeholder's insight into the acquisitions process and are currently helping the Department work towards the 15% fleet reduction that was defined as part of the FY12 VAM. Additionally, the findings of the FY13 VAM will be utilized to further assist the Department in identification of process driven system enhancements within ILMS to reach the 17% fleet reduction (2% increase from FY12) defined as part of the FY13 VAM.



Measurable Changes in Fleet Size/Cost and Attaining Annual VAM Projection Target

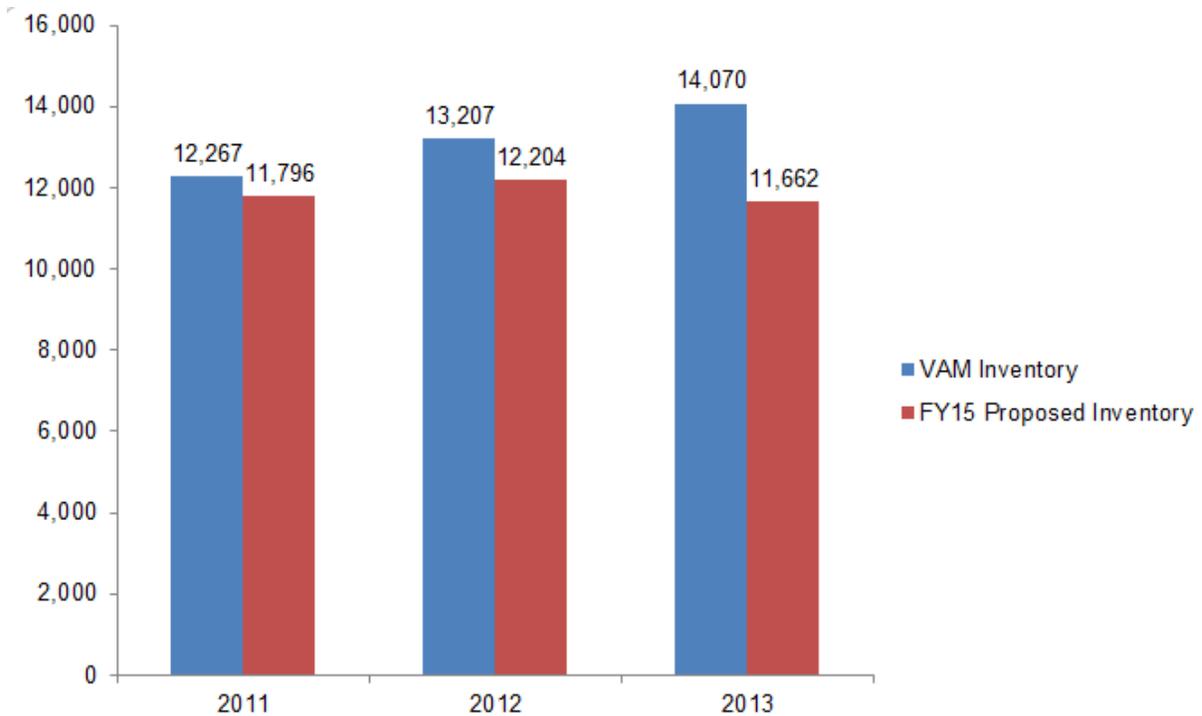
The below table summarizes the inventories and proposed optimal fleet size submitted by the Department for FY 2011 through FY 2013.

Year	Measure	Description	Count
2011	Inventory	Actual fleet size submitted in December 2011 FAST data call	12,267
	VAM Non-exempt Baseline	Actual fleet size submitted in Attainment Plan and FMP	492
	VAM Non-exempt Plan for 2015	Proposed optimal fleet size submitted in FAST	471
2012	Inventory	Actual fleet size submitted in December 2012 FAST data call	14,498*
	VAM Plan for 2015	Proposed optimal fleet size submitted in FAST in March 2013	12,204
2013	Inventory	Actual fleet size which submitted a VAM Questionnaire	14,070
	VAM Plan for 2015	Proposed optimal fleet size submitted in March 2014	11,662
Current Vehicles Received (Not In-Service)			
Overseas Received			1,179
Domestic/Unassigned Received			676
Total Received			1,855

Table 7: Comparison of 2012 and 2013 Inventory Data Used to Evaluate Department Fleet

**Includes 1,291 non-department owned vehicles*

In developing its Attainment Plan and FMP for submission in February 2012 (FY 2011), the Department exempted 11,775 vehicles, which included all overseas and DS law enforcement vehicles. During the completion of the FY 2012 and FY 2013 FMP, the Department did not exempt any vehicles; therefore, the entire fleet (domestic, overseas, law enforcement) underwent the comprehensive VAM study. Consequently, the 2015 optimized fleet is based upon the entire fleet.



FY 2011 to FY 2013 Department of State Vehicle Fleet Size and FY 2015 Projections

The Department’s inventory and costs registered have decreased between 2012 and 2013, primarily due to changes in the overseas fleet. Several factors contributed to the significant change in fleet size, including:

- Fleet managers are disposing underutilized vehicles in accordance with VAM Actions from the FY 2012 VAM. To date, 80% of the vehicles that were recommended for elimination in FY 2012 have been disposed.

- The implementation of the Department’s new Fleet Management Information System (FMIS) has improved data quality and fleet tracking, as the Department continues to focus on improving the information collected on the fleet in its property management system. FMIS and the VAM Study have exposed data anomalies; follow-up actions have been created with Post to improve the Department’s fleet data.

“Actions have been implemented since the completion of the VAM to further right-size the domestic Fleet Management and Operations (FMO) sub-fleet of the Department of State to continue working towards a more sustainable fleet. The actions that were accomplished with the executive fleet vehicles, all 16 of which are leased from commercial vendors, are described below.

The two executive fleet vehicles to the offices of the two Deputy Secretaries were downsized in May of 2012. As a result, lease cost were reduced by 48 percent from fiscal year (FY) 2012 to 2013 and fuel costs were reduced by six percent

*Fourteen executive fleet sedans were downsized from large-size sedans to mid-size sedans in May 2012. This resulted in a lease costs reduction of 29 percent from FY12 to FY13, and a 12 percent fuel costs reduction.” **Fleet Management and Operations (FMO)***



- Overseas locations where Department and the United States Agency for International Development (USAID) fleets were maintained in close proximity worked to consolidate motor pools. Consolidation often increases the Department's inventory as vehicles are typically added to the ICASS program, administered by the Department. Over time, this consolidation will yield fleet efficiencies, cost reductions, and a net reduction in overseas fleet sizes.
- Acquisition of vehicles necessary to support our ongoing missions in Iraq, Afghanistan and Pakistan, as well of as the worldwide expansion of State and other agencies at our overseas missions, resulted in the fleet growth from 12,267 in FY 2011 to 14,070 in FY 2013 (15%). As these high threat missions draw down, the Department will continue its commitment to fleet reduction and cost burden.
- The Department is also re-balancing our armored vehicle distribution to reflect our rapidly changing mission environments and anticipates continued reduction in that fleet component in FY 2014.



Plans to Correct Deficiencies and Factors that Hinder Correction

The Department plans to pursue the following initiatives to continue correcting reporting deficiencies.

- **Expand the FMC:** As the scope of the VAM process has expanded, participation in the FMC has increased. The FMC includes representation from each domestic and overseas organization that operates fleet vehicles as well as ICASS, Post User Groups, and budgeting and safety staff to ensure that the Department’s diverse vehicle needs (both domestic and overseas) are recognized, and that costs and impacts of the fleet size and composition are thoroughly vetted within the Department. The FMC’s effectiveness increases as its membership expands, and it will continue to remain an essential component to improved fleet management across the organization, including improved data quality.



- **Continue Implementing a Global FMIS:** Detailed information on the FMIS can be found under topic H, below.
- **Continue Implementing a Global VAM Process:** For the second year in a row, the Department’s entire fleet has undergone a comprehensive VAM study. The Department is also aggressively improving and strengthening its requirements for retaining underutilized vehicles through the VAM process.
- **Evaluate LE Vehicles:** All LE vehicles were classified according to Bulletin B-33, and continue to be evaluated through the annual VAM study.
- **Improve Vehicle Availability Through GSA:** Right-hand drive vehicles may be necessary because of foreign country requirements. A Department goal is to reduce costs through the consolidation of purchases, and the Department has worked with GSA to have right-hand drive vehicles added to its vehicle selector. Several categories of SUVs have also been created on the selector with a variety of models under that standard. The Department plans to work with GSA to add other vehicle types in the near future.



Factors that hinder correction and long-term planning include:

- **Funding for Continued FMIS Roll-out:** The Department plans to complete the FMIS roll-out by the end of 2015, but that timeline depends on the availability of funding.
- **Training and FMIS Data:** When the FMIS is fully rolled out and training completed, the Department expects data quality will further improve. The FMIS must also be in use for some time before sufficient data has been entered to provide a basis for meaningful and reliable analysis.
- **Management at Danger Locations:** Worldwide volatility requires a rapid response in terms of armored vehicles, which entails related costs. This creates the need for a pipeline of unassigned vehicles in the Department's inventory.
- **Challenges from Global Scope:** The number of posts and the extent of their geographical decentralization are unique among non-military U.S. Government entities. Different regions of the world, different countries with wide-ranging infrastructures, multiple languages, varying vehicle configurations, varying transportation and highway infrastructures, varying importation and customs regulations, uncooperative foreign governments, and high-risk and hardship locations are just a few of the challenges the Department faces based on the global nature of its mission.
- **Disposal of Excess/Damaged Armored Vehicles:** Vehicle accounts may be inflated as a result of pending disposal processing or while posts wait to receive replacement vehicles.





D. Initiatives to Control Fleet Size and Cost

Fleet Size, Composition, Cost Adjustments, and Expected Changes

Security continues to alter the size and shape of the Department's overseas fleet due to the volatile nature of the threats. As a result, it is difficult to accurately project future requirements. Security requirements based on recommendations from the Benghazi Accountability Review Board or in response to ongoing threats at a number of our posts generally necessitate more armored vehicles. The growing number of danger posts around the globe has necessitated an increase in armored vehicles for security purposes. In particular, security in Priority Staffing Posts (PSP) such as Afghanistan, Iraq, Pakistan, Libya, and Yemen require the highest number of fully armored vehicles. At some posts, Mission travel policy mandates that travel between home and office be done only by fully armored vehicles. Inventories at these dangerous and high threat posts are expected to remain the same for the foreseeable future based on current security conditions. Host government import and export restrictions also make it difficult to add or remove armored vehicles from U.S. Mission fleet service.

Domestically, acquisition oversight has tightened in response to a centralized review of every vehicle request. Not only does this ensure sound justification of the proposed acquisition, but it also enables enforcement of fleet composition policy changes. For instance, the Department continues to move to smaller, more fuel-efficient vehicles that run on alternative fuel, where appropriate. This is particularly true for DS administrative vehicles.

The IBWC's fleet size increased in FY 2013 to a total of 142 vehicles reported in FAST. Fuel consumption is expected to increase for IBWC as LE SUVs are incorporated into the fleet to deal with increased crime and hostilities along the U.S./Mexican border. IBWC also experienced an increase in miles traveled because of levee projects. Within the next 12 to 24 months the

“Over the past four fiscal years, the Department of State has reduced its overseas fuel cost significantly through a variety of initiatives including reducing the number of vehicles in the overseas fleet, replacing vehicles with more fuel efficient models and reducing the size of vehicles replaced.

Since FY 2012, the Department of State has replaced more than 300 full size sedans (model comparable to Ford Crown Victorians and Chrysler 300C) with more fuel efficient mid-size and small cars (models such as Ford Fusion and Chevrolet Impala). Additionally, new vehicle replacements of like vehicles have also had a roughly 30% greater fuel efficiency compared to the five to eight year old vehicles that they replaced. As part of the Department's overseas replacement program, a significant portion of our vehicles now include models with alternative fuel capabilities such as E85 and electric hybrid technology. Our overseas fleet also includes more than thirty all-electric vehicles such as Chevrolet Volts in various locations as a pilot program.

*Department of State overseas fleet statistics cannot be directly compared year to year, as we are now completing an effort to improve the veracity of data through automated data entry, while prior years have larger amount of manually entered data. However, trends in our fuel economy initiatives show that while we spent approximately \$33 million annually for fuel in fiscal years 2009 and 2010 with overseas fleet mileage totaling about 77 million miles annually, in fiscal years 2012 and 2013 our annual overseas fuel expenditures had dropped to about \$19.5 million for a fleet with an annual mileage total of approximately 72 million miles.” **Chief, Motor Vehicle Branch***



miles traveled should decrease as projects wind down.

The tables below display a breakdown of total costs for the Domestic and Overseas Fleets from FY 2011 to FY 2013. Costs associated with Agency Owned vehicles include the cost of acquisition, maintenance, depreciation, and other indirect costs. Costs for Commercial and GSA Leased vehicles include the total lease cost (when applicable). Total fuel cost is also included in the data and accounts for the costs of all fuel types used by the fleets.

Concurrent with the decrease in inventory, total fleet operating costs reported via FAST decreased from \$222 million to \$174 million from FY 2012 to FY 2013. This decrease is largely attributed to total acquisition/operational costs dropping by approximately \$48 million in FY 2013. Tables 8 and 8a provide additional information on Department operating costs.

Costs	FY 2011	FY 2012	FY 2013
Agency Owned	5,960,482	7,296,505	8,842,890
Commercial Leased	1,727,612	1,363,374	807,217
GSA Leased	6,186,942	6,355,045	6,255,718
Fuel	2,601,341	2,641,387	2,585,148
Totals	\$16,476,377	\$17,656,311	\$18,490,973

Table 8: Total Domestic Fleet Costs

Costs	FY 2011	FY 2012	FY 2013
Agency Owned	228,948,182	184,436,303	137,206,168
Fuel	43,226,681	20,285,620	18,904,161
Totals	\$272,174,863	\$204,721,923	\$156,110,329

Table 8a: Total Overseas Fleet Costs

FY 2011 costs are an estimation derived from vehicle cost and fuel consumption actuals reported by fleet managers for only 60% of the fleet, the best data available at the time. Therefore, the significant cost reductions between FY 2011 and FY 2012 may be inaccurate and potentially overstated. Deployment of the Department’s Fleet Management Information System (FMIS) improved the quality of the fleet data available and contributes to more accurate reporting in FY 2012 and FY 2013.

Reduction in agency owned vehicle costs, demonstrated by Table 8a above, is attributed to the decrease in overseas armored vehicle costs. Armored vehicle costs include both the new vehicle acquisition and costs associated to armoring of the vehicle. The expanded mission to support high threat Posts led to increased armoring costs in FY 2011 (\$135M). In FY 2012 and FY 2013, armored vehicle costs reduced to \$41 million and \$33 million respectively, reflecting shifts in budget and mission demand.

Implementation of a dedicated FMIS (discussed in greater detail under topic H below) is a central initiative to improve fleet management and control fleet size and costs. The fleet dashboard, FleetStat, displays key performance indicators (KPIs) that provide information on motor vehicle growth, composition, and utilization metrics to Department fleet managers, motor pool supervisors, and other fleet stakeholders, with the objective of supporting data-driven decision making.



Agency Vehicle Acquisitions from Other than GSA

By policy and procedure, GSA is the Department's mandatory supply source for passenger vehicle acquisitions. Off-shore passenger vehicle purchases will only be approved if it is demonstrated that a GSA vehicle will not meet government requirements. Requests to procure vehicles overseas must go through a cost-comparison analysis, and only if the analysis demonstrates that an in-country purchase is more cost effective, it will be considered for approval. Almost every acquisition goes through GSA, and the assumption is that it is the most cost-effective source. Additionally, overseas posts are expected to acquire American-made vehicles where possible.

A few commercial leases are in place domestically for a number of executive vehicles. GSA approved these because it could not supply the type of vehicles needed by DS for dignitary protection. Domestically, wherever possible, owned vehicles due for replacement are being replaced with GSA Fleet leased vehicles.

Trends toward Larger, Less Fuel-Efficient Vehicles and Justifications for Such Moves

Other than armored vehicles (whose number rises or falls based upon worldwide security considerations) there is presently no trend toward acquiring larger, less fuel-efficient vehicles occurring overseas or domestically. As an exception, IBWC did acquire several 2X4 pickups to reduce costs, but they have not performed off-road (particularly on levees) as needed, so will be replaced by 4X4s. As a result, fuel consumption may slightly increase to meet the needs of the new vehicle types. Fortunately, new technologies are making the vehicles increasingly fuel efficient.

Basis Used for Reported Future Cost Projections (Published Inflation Estimates, Historical Trends, etc.)

Because 65% of the domestic fleet is leased from GSA, most domestic projections are based on GSA data and replacement standards. For its owned vehicles, DS applies a 5% increase for its initial cost projection. IBWC applies 3% for its initial cost projection for its owned vehicles. The biggest budget uncertainty is the number of armored vehicles, each of which averages \$150,000.

Overseas budgets are based upon each post's determination as part of its ICASS program.



E. Categorization of Law Enforcement (LE) Vehicles

Use of LE Vehicle Classification System from GSA Bulletin FMR B-33 and Exemptions from Energy Policy Act and VAM Reporting

The LE classifications have been programmed into FMIS and implemented by DS and several overseas posts.

LE vehicles often accrue utilization and maintenance expenses quite differently from typical, road-driven vehicles. For example, some of the vehicles are used in training scenarios as Vehicle Born Improvised Explosive Devices (VBIDs) and props. This is a positive approach to re-utilizing Department vehicle assets.

Below is the composition of vehicles classified as Law Enforcement via the VAM Questionnaire in FY 2013.

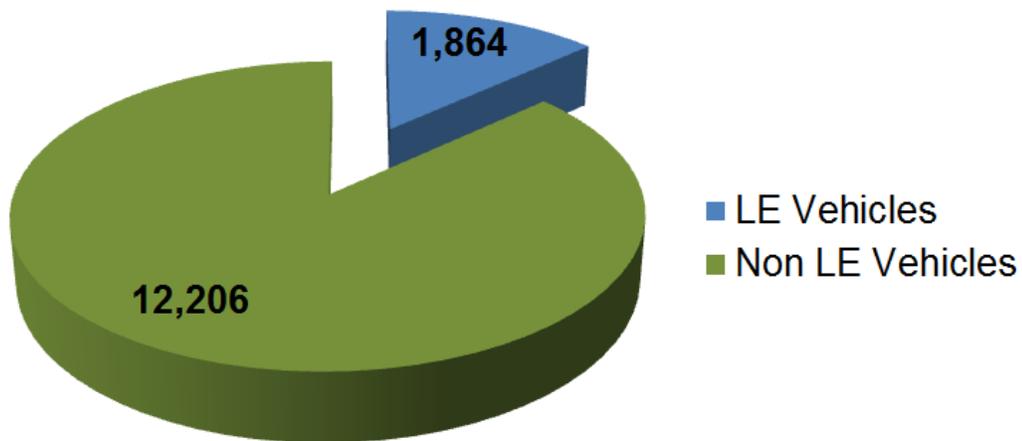


Figure 3: Law Enforcement Vehicle Composition



F. Justification for Restricted Vehicles

Agency Use of Vehicles Larger than Class III

- ✓ The only organization utilizing these larger vehicles is DS, which uses them to meet armoring requirements and for protection. There are currently justification protocols in place to monitor the acquisition of these vehicles. As a result, GSA and the Department frequently review these orders.

Posting of Executive Fleet Vehicles on Agency Website

- ✓ FMO has posted the executive fleet vehicles on the agency website, as required by the Presidential Memorandum of 2011.

Limousine Compliance with the Definition in GSA Bulletin FMR B-29

- ✓ FMO reported limousines in the Department inventory using the GSA Bulletin FMR B-29 definition.

Use the Ballistic Resistance Classification System of National Institute of Justice (NIJ) Standard 0108.01 for Armored Vehicles

- ✓ DS does not use the ballistic resistance classification system (Standard 0108.01) of the NIJ. Instead, DS has developed internal standards that are classified and exceed the current NIJ standard.

Armored Vehicles Authorization

- ✓ All armored vehicles are authorized by appropriation.



G. Vehicle Replacement Strategy and Results

Schedule to Achieve Optimal Fleet Inventory, Including Plans for Acquiring All Alternative Fueled Vehicles (AFVs) by December 31, 2015

The Attainment Plan details the Department of State plan for its fleet based upon currently available information. The Attainment Plan shows acquisitions and disposals by vehicle type and by fuel type (conventional vs. alternative) through 2015. The Department will revise its plan annually, as needed. In addition to following the results of this year's VAM process to optimize each organization's fleet, plans are also in place to acquire AFV vehicles going forward:

- **Overseas:** DOS is working to identify posts where alternative fuel may be available, and will strive to acquire AFVs for shipment overseas, where possible. "Green" vehicles cannot be serviced in many locations overseas, and parts cannot be easily procured. The FAST-reported inventory of AFVs for 2012 was 252 and rose to 329 in 2013, a 31% increase. However, AFV acquisitions dropped from 82 vehicles in 2012 to 44 in 2013, a 46% decrease.
- **DS:** Replacement of vehicles occurs according to GSA standards. DS is moving toward AFVs in all domestic cases, except where security or LE needs make such a choice impractical. The FAST-reported inventory of AFVs for 2012 was 660 and decreased slightly in 2013 to 653.
- **FMO:** Working through GSA, the Office has met its AFV acquisition goals. Additionally, FMO is applying the VAM study results to hold stakeholders responsible for eliminating vehicles, where appropriate. All new allocations are being stringently reviewed. The FAST-reported inventory of AFVs for 2012 was 166 and fell 5% in 2013 to 158.
- **IBWC:** Exemptions have been approved for offices located too far from available fuel. The types of AFVs required for the driving terrain are not always available from GSA. IBWC acquires E-85 vehicles where practical. The FAST-reported inventory of AFVs for 2012 was 54 and rose in 2013 to 55.

Agency Plans and Schedules for Locating AFVs in Proximity to AFV Fueling Stations

The VAM study gathered information regarding where domestic vehicles are domiciled (or parked overnight). DOS will use this information to review whether domestic vehicles can be shifted from one location to another, without impacting the mission, in order to be closer to commercial service stations carrying alternate fuels. However, commercially available alternate



fueling infrastructure is limited in many areas of the country and particularly in the metropolitan Washington D.C. area. As a result, the Department's annual alternative fuel consumption consistently falls below targeted goals. Until a compelling business case can be demonstrated to the commercial petroleum retail sector, the Department does not foresee substantially more alternative fuel (particularly E85) locations being added to the current inventory. In the interim, the Department is attempting the following:

- **Overseas:** DOS is gathering information to identify posts where alternative fuels and AFV repairs are available and feasible and plans to attain AFVs where cost effective.
- **DS:** Although the Bureau does not typically relocate vehicles, AFVs can be transferred to where fuel is available to the extent possible.
- **FMO:** These vehicles and shuttle bus services are provided primarily in the Washington, D.C., area. Additionally, AFVs outside of D.C. were relocated and placed in proximity to AFV fueling stations.
- **IBWC:** The vehicles cannot be moved from the hydroelectric power plants or the levees where they operate and where offices are located on the US-Mexico border.

Agency's Approach where Alternative Fuels are not Available

The Department collaborated with several other Federal Agencies in the metropolitan D.C. area to locate or co-locate the alternative fuel capacity in existing non-commercial vehicle refueling locations. Additionally, DOS has worked with the Department of Defense (DOD) to add alternative fuel capacity within their existing base retail establishments. Unfortunately, the combined AFV consumption data among these agencies does not support expansion of alternative fuel capacities. The Department has also joined several other Federal Agencies in petitioning the Department of Energy (DOE), GSA and the Council of Environmental Quality in developing an interagency solution. In the meantime, the Department is pursuing the following limited solutions:

- **Overseas:** Due to the lack of alternative fuels and vehicle repair and maintenance options available in many cities where Posts are located, hybrids are under consideration for some locations. Additionally, the Department has made significant inroads in reducing the vehicle size of its fleet to reduce fuel consumption.
- **DS:** Since most vehicles are for LE, no initiative is underway to provide alternative fuels in locations where it currently is not available.
- **FMO:** Vehicles have been relocated closer to fueling stations. The Department is working with DOE and Clean Cities to increase availability.
- **IBWC:** Fuel tanks were purchased to supply alternative fuel in its remote locations. However, fuel has been inconsistently available in sufficient quantities.



AFVs not Dependent on Infrastructure, Such as Electric Vehicles and Qualifying Low Greenhouse Gas (LGHG) Vehicles, Placement in Such Areas

To the extent possible, each organization has started to acquire LGHG vehicles in locations where the requirements necessary to maintain these vehicles can be met.

Vehicle Sourcing Decisions for Purchasing/Owning Vehicles Compared with Leasing Vehicles through GSA Fleet or Commercially

- **Overseas:** Overseas vehicles are rarely leased either through GSA or commercially; instead, most are purchased. However, all requested vehicles undergo a review to determine the most appropriate procurement choice. Additionally, all armored vehicles must be purchased as they cannot be returned to GSA for disposal. Instead, they must be destroyed in a manner that ensures that classified armoring techniques/technology will not become accessible. Under ICASS, all vehicles are purchased and costs shared through an OMB-approved chargeback program. All Department Program Vehicles (non-ICASS overseas vehicles), are purchased through GSA and shipped overseas.
 - Additionally, the Department is in communication with EURO-Interagency Fleet Management System (IFMS), a properly designated entity to provide vehicles and fleet management services to the federal government. The Department is investigating whether the overseas IFMS may be able to supply vehicles under a leasing arrangement comparable to GSA Fleet.
- **DS:** DS leases 183 vehicles commercially, 789 through GSA and owns 279 others. As it occurs overseas, DS armored vehicles must be purchased as they cannot be returned to GSA for disposal; instead, they must be destroyed in a manner that protects the classified armoring information. The remainder of the DS fleet consists of commercially leased vehicles, which are utilized because GSA does not provide executive vehicles required for DS mission needs. DS also utilizes commercially leased vehicles to diversify the fleet in support of surveillance missions.
- **FMO:** FMO vehicles are GSA Fleet leased except for 16 commercially leased executive fleet vehicles (including those for the Secretary and Deputy Secretary). Efforts to further reduce that number and convert all commercial leases to GSA Fleet leases are ongoing.
- **IBWC:** Most of the on-road fleet is currently GSA Fleet leased and all purchased vehicles will be replaced with GSA Fleet leased vehicles.



Cost Comparison of Owned Vehicles to Leased Vehicles

For each vehicle acquisition, the Department carefully compares the total costs between owning and leasing. Other factors unique to the Department, such as the requirement for armored vehicles, are considered. Due to the controlled disposal process required, leasing armored vehicles through GSA is prohibited; these vehicles must, therefore, be purchased.

Although the majority of Domestic vehicles are GSA leased, the same trend is not found overseas. For instance, GSA does not offer leases for vehicles overseas; instead, a 'dry lease' would be employed under which the GSA would purchase the vehicle, although the Department would remain responsible for all maintenance and disposal costs. This is required because GSA does not have a presence in many countries in which the Department is located. Therefore, using GSA for this purpose would only serve as a financial tool to separate costs into annual fees, and would not benefit the Department. Instead, the GSA fleet acquisition and in-house vehicle maintenance overseas is a cost-effective alternative to commercial/GSA leases in isolated areas.

Additionally, purchasing vehicles can often be a cost-effective choice, given the Department's ability to leverage duty and tax-free statuses to maximize value in foreign nations. These same advantages could not be used under a leasing model. With these reasons under consideration, the Department continues to evaluate leasing alternatives when acquiring vehicles overseas.

In the overseas fleet, vehicles have predominantly been purchased, transferred from another Federal agency, or donated. Domestically, the majority of the fleet has been GSA leased, while the remainder has been commercially leased, purchased, transferred from another agency, or donated.

Rationale for Acquiring Vehicles from Other than the Most Cost Effective Source

All data indicates that GSA is the "most cost-effective source," and the Department acquires its vehicles through its procurement programs (leasing or purchasing). However, local conditions, the need for maintenance repair, or special requirements are examples of cases when GSA may not be used for certain vehicle purchases.



H. Vehicle Management Information System Description

Overview of Vehicle Management Information System (VMIS)

In 2010, the Department acquired a Fleet Management Information System (FMIS) that conforms to the standards published in GSA’s Bulletin B-15, “Requirements for Management Information Systems in Federal Vehicle Fleets.”

The FMIS manages all fleet utilization data through a standardized web-based solution and is integrated as a module of the Department’s Integrated Logistics Management System (ILMS). The robust functionality of the FMIS has and will improve virtually all aspects of fleet management across the Department, by:

- ✓ Facilitating motor pool management
- ✓ Improving accuracy of utilization statistics
- ✓ Capturing data about vehicle assignment, as well as, maintenance and fuel consumption history
- ✓ Providing increased visibility into all vehicle related expenses
- ✓ Offering enhanced data controls and data reliability
- ✓ Supporting green initiatives through paperless processing

Through FMIS, fleet managers have the ability to perform standardized vehicle registration, dispatch, maintenance, fuel and reporting functions. Additionally, FMIS supports the management of motor pool employee data, and provides the ability to capture licensing, training, and certification histories, as well as employee schedules. FMIS also offers reporting capabilities for standard Department reports, including capturing data necessary for annual FAST reporting for indirect vehicle costs.



The data provided by FMIS will allow the Department to better identify which vehicles have been dispatched on the fewest number of trips, undergone the most maintenance, and/or underutilized or inefficient to keep based upon specified standards. As a result, Department management will be able to make better informed decisions about anticipated fleet reductions. The data provided by the FMIS may be leveraged to measure and continuously improve the Department's fleet performance.

FMIS helps manage the Department's fleet through one standardized system. The motor vehicle asset data contained within FMIS is maintained within the Department's system of record, the Asset Management module in ILMS. FMIS is the Department's system of record used to manage fleet operations and capture DOS fleet utilization data. The motor vehicle information captured in FMIS is calculated and integrated into the Motor Vehicle Survey (MVS) in ILMS on a monthly basis. FMIS improves the Department's internal controls, increases data reliability, and provides visibility into the entire fleet.

As of March 1, 2014, FMIS has been implemented at more than 177 posts. Assuming adequate funding, the Department's goal is to complete implementation for all posts by the end of 2015. The deployment strategy addresses the largest fleets first, and, while working in a geographic region, incorporates some of the smaller posts. About 76% of the Department's total fleet is now on FMIS.



Other Systems Used to Capture Vehicle Information where FMIS is Not Available

The FMIS is not yet implemented for IBWC. Instead, all data is captured through one of two systems:

- **GSA Fleet Vehicles:** Data on all vehicles leased through GSA Fleet is available through Reports CarryOut.
- **IBWC-Owned Vehicles:** Data on all owned vehicles is maintained in a Microsoft Access database.



I. Vehicle Sharing Practices and Plans

Internal or External Vehicle Pooling/Sharing Activities and Consolidation Initiatives

All larger posts have a motor pool operated through the ICASS program. Motor pools of small embassies by contrast do not necessarily operate through the ICASS program. Embassy motor pools service all federal agencies that participate in and subscribe to the ICASS motor pool cost center.

Approximately 40% of U.S. government employees assigned to embassies are not Department personnel. Not all agencies with personnel at a post use ICASS motor pool services; instead, they may provide their own vehicles. While the Department cannot assess the necessity or cost effectiveness of other agencies operating and maintaining their own vehicles at any given post, a January 2012 report by the Government Accountability Office (GAO) recommended further reduction in duplicative services overseas.

As improvement continues within the ICASS motor pool program, the Department is working with other agencies to improve post fleet management and motor pool utilization. This may extend to some military and LE groups consolidating their vehicles into the ICASS fleet if no statutory, regulatory, or policy restrictions prevent such.

An ongoing initiative is to consolidate State and USAID motor pools. In locations where consolidation appears feasible but a decision is made not to do so, a formal waiver process must be granted.

Domestically, DS and IBWC operate motor pools at their HQ offices, as does the Department HQ itself. FMO operates the HQ motor pool through a dispatch office utilizing FMIS. FMO provides car and executive driver services, transport services, and charter bus contracting for large group events, and operates Department shuttle-bus program between its multiple Washington, DC office locations.



Efforts to Reduce Vehicles Assigned to a Single Person

The Department has aggressively worked to develop motor pool programs to provide transportation services to employees overseas and domestically. For overseas posts, regional bureaus have been working to reduce the assignment of a vehicle to the Deputy Chief of Mission. Instead, the position would rely on the ICASS motor pool for transportation requirements.

Although vehicles are not assigned to an individual, they may be assigned to specific positions, such as the Chief of Mission. Previously, only law enforcement activities have required applicable assignments by position for the domestic fleet. To minimize this type of assignment, DS has applied the guidance in Bulletin B-33 and identified vehicles that can be informally shared by office personnel.

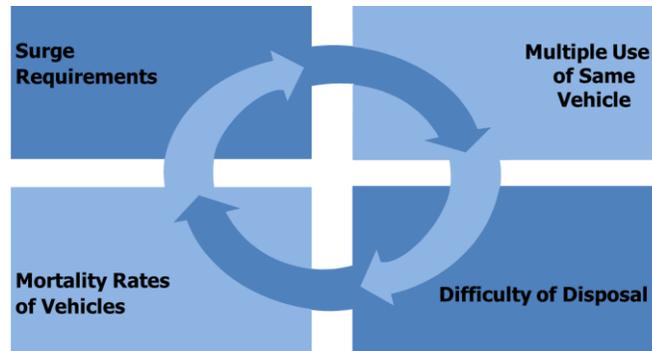


J. Impediments to Optimal Fleet Management

Obstacles Faced in Optimizing Fleet

Ever-changing security conditions around the world, including degree of danger shifts and danger location changes, represent a significant obstacle to a stable and optimized fleet for the Department. The demand for armored vehicles ebbs and flows depending on risk, and the need for risk mitigation through upgraded transportation tools and processes require constant scrutiny and response. Fleet program implications include:

- **Surge requirements:** In order to respond adequately to hostile environments, the Department must be prepared to deploy or transfer specialized vehicles globally. Given the long lead times (6-12 months) required for vehicle armoring, an excess capacity must be carried to provide for urgent security needs.
- **Mortality rate of vehicles:** Vehicles may be disabled and need to be replaced unexpectedly. One example is a supply of vehicles being transported to Kabul that was “ambushed” and destroyed and required replacement.
- **Multiple uses of the same vehicle in high-risk locations:** A vehicle, such as a water truck, will be used for its intended purpose, but when parked it may also serve as an added barricade for protection. Miles traveled will be low, but from the barrier-parking perspective, its utilization is 24 hours a day.
- **Difficulty of disposal:** Armored vehicles must be destroyed properly to ensure that they do not fall into the wrong hands for reverse engineering. As a result, residual values will never be realized from these vehicles. Transporting for disposal worldwide is extremely costly and subject to the availability of sufficient appropriated funding. In addition, foreign government regulations and law can severely complicate the disposal process.



Other impediments to optimal fleet management include:

- Because most vehicles are purchased or leased from GSA, the Department acquires many easily identifiable U.S.-manufactured vehicles and ships them overseas. In particularly high-risk locations, this can make the vehicles a target.



- Parts may be in short supply for U.S.-manufactured vehicles in many locations. This affects maintenance, repair, and utilization, and can lead to retaining older vehicles to ensure that backup transportation is available when maintenance work is performed.
- In some locations, social mores may necessitate a larger vehicle inventory. For example, in Saudi Arabia, women are not permitted to drive, so both work and personal transportation services must be provided for female staff and family members.
- Heavier security vehicles drive fuel consumption upward. Heavy, armored vehicles have a shorter life-cycle because of the excess weight they carry, even though the mechanical components have been upgraded.
- Embassy grounds in many locations are comparable to a small town or campus. Housing is often provided and maintained by embassy staff. Consequently, many posts require vehicles that can supply necessary services.
- Since fleet requirements vary widely by location, posts must take the lead in determining needs locally.
- Official delegations visit many embassies around the world. The vehicle fleet at these locations must be able to meet the transportation and security needs of visiting officials. Posts in locations without safe and/or reliable public transportation or car rental services require larger fleets to support visitors and unexpected operational requirements.
- The alternative fuel infrastructure remains inadequate to enable every location to operate AFVs.
- Terrain in many locations is rough on vehicles, tearing up tires and necessitating a higher degree of maintenance and repair. In locations where this applies, maintenance services are unlikely to meet Department standards; instead, in-house shops are a necessity (as well as a supply of tires and other parts).
- Climate in many locations is rough on the vehicles. For example, posts located closer to a sea will find that their vehicles suffer from salt deterioration, particularly if enclosed parking is not available.

Documentation and Requests for Additional Resources Required

There are no additional resources required at this time that the Department has not already addressed internally.

Specific Laws, Regulations, or Issues that Constrain the Operation and Optimization of the Fleet and Possible Solutions

Given the global and high-risk environment in which the Department operates, there are many impediments to reaching certain Green Initiative goals. These variables include, but are not limited to, manufacturer AFV product line changes between model years, GSA order schedules, continuing resolutions, client funding, mission changes, and changes in environmental policy. As a proposed solution, the 'green fleet' environmental requirement could be simplified to "Reduce petroleum fuel consumption by X% by 20XX (compared to the 20XX baseline)." This would allow the Department to determine how to best meet that



requirement (e.g., by increasing alternative fuel consumption, increasing fuel efficiency, reducing vehicle and/or overall fleet size, reducing miles traveled, etc.).

The Department sees a positive outcome from the attention being paid to fleet management, and there have been significant strides towards improving data quality and organizational decision-making, which result in improved fleet efficiency and cost control. This benefits the Department, the federal government and taxpayers.



K. Anomalies and Possible Errors

Any Real or Apparent Problems with Agency Data Reported Through the Federal Automotive Statistical Tool (FAST)

In an effort to further improve accuracy of the data reported to FAST, Department Fleet representatives worked closely with FAST representatives for FY 2013 annual reporting. Stakeholders completed detailed examination of the reports utilized to populate the required FAST templates. Additionally, the population of vehicles considered in FY 2013 was specific to Department-Owned vehicles in order to keep in line with VAM Study criteria.

Any Data Fields Highlighted by FAST as Possible Errors that were Overridden

In FY 2013, the Department of State did not identify discrepancies with the FAST data. As part of this year's submission, State continued to communicate with the various reporting elements to ensure that the data is reliable. The Department anticipates that data quality will continue to improve as the FMIS is rolled out and training takes place. Data anomalies in FAST are discussed above, under topic C, Explanation of Fleet Size and Cost Changes Not Meeting Projections.

Any Flagged, Highlighted, or Unusual-Appearing Data Explanations

No unusual anomalies were identified during the FY 2013 FAST data submission.



L. Summary and Contact Information

Name and Contact Information for the Agency Headquarters Fleet Manager

Patrick Kennedy
Under Secretary for Management
U.S. Department of State

Name and Contact Information for the Budget Office Reviewing Official

Douglas Pitkin
Senior Director, Office of Budget Analysis
Bureau of Budget and Planning
U.S. Department of State



Appendix



M. Appendix A: VAM Survey and Results

Below are the MVS and VAM questions.

The Motor Vehicle Survey (MVS)

1. **Odometer Reading Date:**
2. **Odometer Reading (km):**
3. **Accident Cost US\$:**
4. **Contract Cost US\$:**
5. **Maintenance Cost US\$:**
6. **Fuel Cost US\$:**
7. **Liters of Fuel:**
8. **Kilometers Driven:** *(Pre-populated and auto-calculated values)*
9. **Miles Driven:** *(Pre-populated and auto-calculated values)*
10. **Fuel Efficiency (km/liter):** *(Pre-populated and auto-calculated values)*

The Vehicle Allocation Methodology (VAM) Questionnaire

1. **Please enter your personal information below (who is filling out the survey) – Last Name, First Name, Email, City, Country, User ID.** *(Pre-populated with data in ILMS)*
2. **To which Post are you assigned?** *(Pre-populated with data in ILMS)*
3. **What is the current odometer reading (Kilometers)?** *(Pre-populated with data in ILMS)*
4. **What is the current odometer reading (Miles)?** *(Pre-populated with data in ILMS)*
5. **When was this reading taken (MM/DD/YYYY)?** *(Pre-populated with data in ILMS)*
6. **How many trips per week does this vehicle average? (Trip: When the driver takes the vehicle from its normal parking area and then returns it to that same general area.)**
 1 2-2 4-6 7-12 13 or more
7. **How many weeks per year is this vehicle used?**
 1 to 24 25 to 47 48 to 52



- 8. How many hours is a typical trip for this vehicle?**
 0 to 0.5 0.5 to 1.5 1.5 to 3 3 to 5 More than 5
- 9. Is this an armored vehicle?** *(Pre-populated with data in ILMS)*
- 10. Is this an emergency vehicle?**
 Yes No
- 11. Is this a backup or spare vehicle?**
 Yes No
- 12. Is this a law enforcement vehicle?**
 Yes No
- 13. Does this vehicle have installed equipment with a specialty function? (Ex. Security equipment, blue force chips, etc.)**
 Yes No
- 14. Are the tools and equipment carried secured when the vehicle is unattended?**
 Yes No
- 15. Are the tools and equipment carried time consuming to transfer to another vehicle?**
 Yes No
- 16. Would it be possible to perform the same function with public transportation?**
 Yes No
- 17. Is pooling/sharing of this vehicle possible? (Select all that apply)**
 Within your post With another federal agency Already a pool vehicle
(i.e. ICASS) Pooling not possible
- 18. Is this vehicle normally driven by a chauffeur/driver?**
 Yes No
- 19. Would an on-call taxi service or a scheduled shuttle service meet the requirements of this vehicle? (select all that apply)**
 On-call taxi service Scheduled shuttle service Neither



20. Would one of the following vehicles better perform the mission

- Ambulance
- Bus
- Low Speed Electric
- No
- Other
- Pickup
- SUV
- Sedan
- Truck Heavy Duty (large)
- Truck Medium Duty
- Van – Cargo
- Van – Passenger

21. Please select the options below that best describe the conditions in which this vehicle travels. (Check all that apply)

- Unpaved (dirt/gravel) roads
- Sever off-road conditions
- Weather-affected roads (unplowed snow)
- City streets and highways

22. What climate does this vehicle typically operate in: (Pre-populated with data in ILMS)

23. Vehicle condition?

- Excellent
- Very Good
- Good
- Fair
- Poor
- Cannot be operated or repaired



Current and Optimized Fleet Composition by Type per Reporting Element based on FY13 VAM Population

Overseas

Overseas Fleet	FY13 Baseline Fleet	Vehicle Slot Change	FY15 Optimized Fleet
Bus/Amb	163	(8)	155
HD Truck	664	(12)	652
Limo	20	0	20
Pick-Up	2,583	(117)	2,466
Sedan/Coupe	1,359	(80)	1,279
Station Wagon	917	(30)	887
SUV	5,276	(186)	5,090
Van	2,320	(47)	2,273
Grand Total	13,302	(480)	12,822

Table 9: Current and Optimized Overseas Fleet Composition by Type

DS

DS	FY13 Baseline Fleet	Vehicle Slot Change	FY15 Optimized Fleet
Bus/Amb	4	0	4
HD Truck	6	0	6
Limo	40	0	40
Pick-Up	30	0	30
Sedan/Coupe	107	0	107
Station Wagon	44	0	44
SUV	270	0	270
Van	50	0	50
Grand Total	551	0	551

Table 10: Current and Optimized DS Fleet Composition by Type

OBO

OBO	FY13 Baseline Fleet	Vehicle Slot Change	FY15 Optimized Fleet
Pick-Up	3	0	3
SUV	33	0	33
Van	1	0	1
Grand Total	37	0	37

Table 11: Current and Optimized OBO Fleet Composition by Type



FMO

FMO	FY13 Baseline Fleet	Vehicle Slot Change	FY15 Optimized Fleet
HD Truck	5	0	5
Pick-Up	3	0	3
Sedan/Coupe	2	0	2
SUV	7	0	7
Van	8	0	8
Grand Total	25	0	25

Table 12: Current and Optimized FMO Fleet Composition by Type

IBWC

IBWC	FY13 Baseline Fleet	Vehicle Slot Change	FY15 Optimized Fleet
HD Truck	62	(1)	61
Pick-Up	65	0	65
Sedan/Coupe	2	0	2
Station Wagon	1	0	1
SUV	21	0	21
Van	4	0	4
Grand Total	155	(1)	154

Table 13: Current and Optimized IBWC Fleet Composition by Type



N. Appendix B: Acronym Glossary

AIP	<i>Afghanistan, Iraq, and Pakistan</i>
APEC	<i>Asian-Pacific Economic Cooperation</i>
ATV	<i>Alternative Fuel Vehicle</i>
COM	<i>Chief of Mission</i>
DCM	<i>Deputy Chief of Mission</i>
DOS	<i>Department of State</i>
DS	<i>Diplomatic Security</i>
ERP	<i>Enterprise Resource Planning</i>
FAM	<i>Foreign Affairs Manual</i>
FAST	<i>Federal Automotive Statistical Tool</i>
FLETC	<i>Federal Law Enforcement Training Center</i>
FMC	<i>Fleet Management Council</i>
FMIS	<i>Fleet Management Information System</i>
FMO	<i>Fleet Management & Operations Division</i>
FMP	<i>Fleet Management Plan</i>
FY	<i>Fiscal Year</i>
GAO	<i>Government Accountability Office</i>
GSA	<i>General Services Administration</i>
HTW	<i>Home to Work</i>
HQ	<i>Headquarters</i>
IBWC	<i>International Boundary and Water Commission</i>
ICASS	<i>International Cooperative Administrative Support Services</i>
ILMS	<i>Integrated Logistics Management System</i>
INL	<i>International Narcotics and Law Enforcement</i>
KPI	<i>Key Performance Indicators</i>
LE	<i>Law Enforcement</i>
LGHG	<i>Low Greenhouse Gas</i>
MRR	<i>Mission Resource Request</i>
MSG	<i>Marine Security Guard</i>
MV	<i>Motor Vehicle</i>
MVS	<i>Motor Vehicle Survey</i>
NATO	<i>North Atlantic Treaty Organization</i>
NIJ	<i>National Institute of Justice</i>
OBO	<i>Overseas Building Operations</i>
OMB	<i>Office of Management and Budget</i>
POV	<i>Personally Owned Vehicles</i>
USAID	<i>United States Agency for International Development</i>
VAM	<i>Vehicle Allocation Methodology</i>



<i>VMIS</i>	<i>Vehicle Management Information System</i>
<i>VBID</i>	<i>Vehicle Born Improvised Explosive Device</i>
<i>WEF</i>	<i>World Economic Forum</i>