



September 14, 2020

Dear Fleet Managers:

The Office of Fleet Management (OFM), in partnership with the Governor's Office of Planning and Budget (OPB), is preparing to publish updates to both the Georgia Fleet Management Manual and Policy 10 that directly impact how state entities should manage State owned and leased vehicles. The Fleet Manual and Policy 10 have been updated with the aim of strengthening compliance and simplifying implementation of the fleet management programs across State government.

The "WHAT"

Revisions to Policy 10 include but are not limited to the following:

- Vehicle Assignments
 - Altered the assignment criteria to remove the two-stage assignment process of assignment and overnight. There is now one set of assignment criteria for individuals to drive their vehicles to and from their "alternate worksite".
 - Removed the requirement for individuals to drive at least 14,000 state business miles each year to maintain their vehicle assignment. (Important to note: These will continue to be recorded, approved, and on file at DOAS Office of Fleet Management. However, OPB retains access to the ARI system to view vehicle assignments and retains its approval stage in vehicle purchases).
 - Added emphasis that allows agencies to utilize pool vehicles, to give agencies the ability to temporarily assign vehicles to individuals that need them (temporary on-call status, for example).
- New Vehicles
 - Removed the "driven 14,000 miles" threshold for agencies to justify purchasing a new vehicle.
 - Replaced with a new method of vehicle utilization, which measures the vehicle in its asset type category (sedan, HD/LD Truck) and the median miles driven by all vehicles within that asset group. Agencies will have to certify that all new vehicles purchased will drive at least 25% of the median miles driven by said asset type per state entity.
- Replacement Vehicles
 - Introduced a minimum utilization standard which requires underutilized vehicles to be reassigned based on the minimum utilization standard of 25% of the median miles driven by asset type per state entity before a new vehicle purchase is approved.
 - Altered the explicit reference to OPB's budget instructions, which has traditionally set the criteria for replacement at an arbitrary 135,000 miles total (odometer) or 10+ years old. With the efficiency of newer vehicles, this seemed antiquated. OFM has replaced with a valuation model, which determines a vehicle's "Total Cost of Ownership".
 - This is calculated by taking the replacement vehicle's depreciation amount + its maintenance over the past 2 vehicle years. Depreciation amount is the vehicle's capital cost minus its current book value.
 - If the Total Cost of Ownership of the current vehicle exceeds its book value, the purchase can be made.
 - OPB and OFM retain the right to set replacement criteria in each budget cycle, but the Total Cost of Ownership method seeks to replace the 135k/10+ year thresholds, which have been in place for years.

Updates to the Georgia Fleet Management Manual include but are not limited to the following:

- Streamlined Policy 10 requirements into the fleet manual to provide cohesiveness between the two documents.
- Refreshed best practice guidelines and procedures for Fleet Managers to effectively manage the state's fleet
- Updated relevant resources, web links, contact info, etc. from our partner programs for fleet related services
- Included the [Fleet Safety Guidelines for Passenger Carrying Vehicles](#) which serves as a guide for sustaining Safety, Operations and Modifications to the State of Georgia passenger carrying vehicles during COVID-19 or other virus-related occurrences.

The "HOW"

A *Fleet Total Cost of Ownership (TCO) Dashboard* has been developed to display agency specific information into one place for Fleet Managers (and other agency personnel) to access data relative to vehicle replacement and underutilized vehicles. The dashboard provides the fleet manager with the list of the underutilized vehicles that should be reassigned if they have not met the minimum utilization standard as well as the list vehicles eligible for replacement based on the TCO valuation model mentioned above.

Additionally, the Fleet Dashboard will include vehicle spend data, vehicle and driver counts, audit reports and tier reports for each fiscal year. The dashboard provides fleet managers with visibility into Fleet Total Cost of Ownership (TCO) across all fleet environments: State Agencies, Colleges and Universities and Community Service Boards. It will also assist fleet managers with managing a variety of tasks relative to operational and budget decisions and will help in the preparation of reports for Leadership.

Important Dates:

- Access to the Fleet TCO Dashboard training video and FAQs will become available on **September 23, 2020**, on the [DOAS OFM webpage](#) under the Education and Training section.
- Both the Georgia Fleet Manual and Policy 10 will be effective on **October 1, 2020** and published on the [DOAS OFM Webpage](#) under the Rules, Policies and Compliance section.
- To gain access into the [Fleet TCO Dashboard](#), a user ID and password will be emailed to each fleet manager individually beginning **October 1 & 2, 2020**.

The "WHY"

Improvements to the Georgia Fleet Management Manual and Policy 10 strengthen the fleet management program, while continuing to meet your agency's day to day fleet operational needs and offering you the highest quality of customer service.

If you have questions about the revisions and updates referenced above, please contact any member of the OFM Team at fms@doas.ga.gov or 404-463-5458.

Sincerely,



Jazzmin Randall
Director, Office of Fleet Management