

UNITED STATES
DEPARTMENT OF
THE TREASURY



Department of the Treasury

VAM Fleet Management Plan

FY 2012

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I. Agency Policy

The Department has taken aggressive measures to continuously right-size the fleet in order to obtain the optimal fleet for Treasury. The Department fleet management approach is to reduce GHG emissions, the reduction of the fleet which includes the use of the minimum size vehicles that are necessary to fulfill the mission and alternative fuel requirements. In conjunction, we have had success in reducing our agency fleet usage requirements through the encouraging the use of public/mass transportation, combining trips, car pooling, and teleconferencing and video conferencing whenever possible. Internal policy reviews have been performed on annually to ensure management oversight and fleet program control measures are enforced.

II. Agency Strategy

The Treasury Department is the executive agency responsible for promoting economic prosperity and ensuring the financial security of the United States. Treasury is responsible for a wide range of activities, including advising the President on economic issues, encouraging sustainable economic growth, and supervising financial institutions. Treasury operates systems critical to the nation's finances, such as coin and currency production, disbursement of payments to the public, revenue collection, and borrowing.

Treasury is committed to demonstrating leadership in environmental stewardship through compliance with environmental and energy statutes, regulations, and Executive Orders. Treasury's headquarters (Departmental Offices) and its bureaus are collectively responsible for accomplishing these goals. Current priorities include:

- Reduce Home-to-Work (HTW)
- Reduce the number of vehicles in the Executive Fleet
- Implementing the President's Federal Fleet Performance vehicle technology requirement of acquiring alternative fuel vehicles.
- Following through on the aggressive goals for reducing greenhouse gas (GHG) emissions are met by 2020. The fleet is required to reduce GHG by at least 3% annually.

Obtaining a fleet Management Information System

III. Explanation of Secretary's Exemptions and Delegation Authority

The Secretary of the Treasury has delegated all responsibilities of fleet management and related functions to the Assistant Secretary for Management and Chief Financial Officer. The Assistant Secretary for Management and Chief Financial Officer has not exempted any vehicles from the provisions of the Presidential Memorandum on Federal Fleet Performance dated May 24, 2011.

IV. Fleet Management Plan Summary Introduction

Treasury is committed to effective implementation of E.O. 13514, 13423, and other applicable Executive Orders and statutes. The activities to meet targets in these requirements will be integrated into daily operations and maintenance of our facilities.

A. Internal Coordination, Communication, and Dissemination to the Field

Many offices throughout Treasury continue to be involved with the evolution of this plan and oversee the various areas, including Office of the Procurement Executive; Office of Asset Management; and the Office of Performance Budgeting. These offices collected information from the respective offices in the Treasury bureaus, which assisted in measuring progress toward agency goals.

The Fleet Management Plan and the Optimum Fleet Attainment Plan is submitted to the Office of Asset Management which is distributed to the leadership throughout Treasury, including the heads of each of Treasury's 11 Bureaus and the fleet management professionals.

B. Leadership and Accountability

Treasury's Senior Sustainability Officer to have overall responsibility for the Fleet Management Plan and the Optimum Fleet Attainment Plan. Responsibility for implementing the requirements in executive orders is embedded in the position descriptions and performance plans of the Senior Sustainability Officer, and Fleet Management staff.

Coordination and dissemination of the plan to the field offices comes from Senior Sustainability Officer. When changes or new implementations are developed, it is then disseminated to all appropriate personnel for their review to ensure that they are aware of the goals that have been set. Fleet related metrics are incorporated in Treasury-STAT accountability reports and sessions. This process is further described in paragraph d.

C. Agency Policy and Planning Integration

Treasury continues to integrate sustainable practices into all areas of procurement, operations, information technology, and finances. We continue to update, implement, and maintain existing plans and policies to include fleet. Department-wide policies are addressed through a series of Treasury Directives, which include requirements in Executive Orders 13423 and 13514. The Fleet Management contains goals outlined in Executive Orders and Treasury's Motor Vehicle Fleet Management Program Directive, 74-01, and specifically addresses leadership and accountability.

D. Methods for Periodic Monitoring and Evaluation of Progress

Semi-annual reporting of fleet management energy metrics through the OMB sustainability/Energy scorecard process provides important information regarding the progress toward goals. Tracking and reporting of greenhouses gas emissions through an

annual inventory submission sheds light on the effectiveness of projects that have been designed to reduce Treasury's carbon footprint.

Each bureau is responsible for implementing fleet projects to reduce inventory, cost and GHG emission and consequently decrease greenhouse gas emissions. These projects will be tracked by the Office of Asset Management within Departmental Offices. Initiatives to reduce the size of our fleet, purchase more efficient vehicles, and decrease miles driven will be tracked by the Office of Asset Management. We are also continuing to assess the feasibility of using budgetary systems to track costs of projects as well. Additionally, all Bureaus are required to submit quarterly reports as part of the Treasury STAT accountability initiative. Performances against established milestones are then reviewed in sessions with leadership from each Bureau and agency leadership. A few key sustainability metrics common to all bureaus will be incorporated into these reports to ensure they receive high-level visibility.

V. Vehicle Allocation

- The bureaus have established optimal fleet plans by taking into consideration of other public transportation, alternative transportation (hourly rental), (which eliminates the worry of maintaining vehicles, and budgeting for gas, maintenance and cost of owning and leasing vehicles) and seasonal rental vehicles.
- Many of the vehicles in the Department are mission oriented vehicles, which limits mileage utilization as critical determinations for keeping vehicles. Vehicles sizes have been reduced in size; the Department has replaced several large sedans with mid size, compact or subcompact vehicles depending on vehicle mission and will continue to replace them in the appropriate replacement years.
- The Department will be reviewing and eliminating vehicles in geographic locations where public transport is available and the sole mission of the vehicle is to transport employees to meetings and other administrative functions.
- The Executive fleet number of vehicles will be reduced and hourly rental vehicles will be used to supplement owning or leasing vehicles.
- HTW will be eliminated for employees whose primary function is administrative duties.
- Strategically place alternative fuel vehicles where infrastructure is available for use and place low emitting GHG vehicles in locations where fuel is not readily available.
- Continue to decrease the amount of SUV in the fleet by only placing them in locations where they are required to perform the mission.

VI. VAM Implementation

- Utilize a fleet management information system to ensure effective oversight and guidance of the Department's fleets, to include use of the GSA "AutoChoice" On-line Ordering System to approve bureau vehicle orders to advance agency efforts to acquire more alternative fuel (e.g. E85 capable) smaller, fuel efficient, and low GHG emitting vehicles, as required by the Energy Independence and Security Act (EISA) of 2007 and Executive Order 13514 (Federal Leadership in Environmental, Energy, and Economic Performance);

- The FY 2012 Vehicle Acquisition Cycle each vehicle ordered will be meet motor vehicles to achieve maximum fuel efficiency;
- Limit motor vehicle body size, engine size and optional equipment to what is essential to meet your agency's mission;
- Class I and Class II sedans for non-law enforcement organizations.
- Class III, midsize sedans for law enforcement organizations.
- Lease large (class IV) sedans or Sport Utility Vehicles (SUVs) only when such motor vehicles are essential to the agency's mission.
- Purchase or lease vehicles which do not meet the low GHG vehicles requirements established by EPA only if approved (in writing) in advance by the Senior Sustainability Officer pursuant to the exemption requirements.
- All lease vs. purchases analyses will be submitted annually to determine the most economically acquisition process (GSA lease, purchase).
- Ensure that all vehicles in the law enforcement offices are properly classified by categories:
 - a. L/E 1
 - b. L/E 2
 - c. L/E 3

Using the three LE classification will ensure that the right types of vehicles are acquired to support the vehicles mission and that also use alternative fuel vehicles at the classifications that are recommended.

VII. Plan and schedule for the Optimal Fleet

All agency owned excess vehicles will be disposed of at the end of life cycle or if economically possible the vehicle will be moved to a location where a vehicle that is scheduled to be replaced. GSA leased vehicle will annotated as “Do Not Replace” at the during the normal replacement cycle or moved to a location where a vehicles is scheduled to be replaced. Commercial leased vehicles will be turned in at the end of the leasing contract and not be replaced if the vehicle is designated as disposal.

VIII. Plan for Alternative Fuel Vehicle Acquisition

The Department will replace all non alternative fuel vehicles during there normal replacement cycles. Dual fuel vehicles will place where infrastructure is available and low emitting GHG vehicles will be place where no infrastructure is available.

IX. Vehicle Sourcing Assessment

All lease vs. purchases analyses will be submitted annually to determine the most economically acquisition process (GSA lease, purchase). Commercial leased vehicles will be replaced with GSA vehicles at the end their lease contract.

X. GSA's VAM Recommendations

B. Fleet Size:

1. GSA recommends that Treasury seek fleet reductions in excess of the 6% planned.

The Department is constantly reevaluating the fleet composition to improve the efficiency. In FY 2012, the Department is working to complete the guidance of home-to-work vehicles, which should help the Department implement more vehicle pools at several locations. Establishing motor pools will reduce the current 1:1 ratio.

C. Vehicle Type Composition:

2. GSA recommends that where possible, Treasury should eliminate larger vehicles in favor of smaller, more fuel efficient vehicles.

The Department requires justification for all vehicles that do not meet the low greenhouse gas (GHG) emitting scores established by Environmental Protection Agency (EPA). These justifications are approved by the Office of Management and implemented by the Deputy Chief Financial Office. The Department has established guidelines to reduce vehicle size and non-alternative fuel vehicles;

- a) Administrative vehicles maximum size will be a CL II (compact) sedans or CL I (subcompact).
- b) Law enforcement vehicles maximum size will be CL III (midsize) sedans.
- c) Vehicles used to transport cargo will be LD Cargo Vans
- d) SUV only in location where inclement weather will prevent employees from completing their mission.

Alternative fuel vehicles will be placed at all locations where alternative infrastructure is available at the time of procurement of vehicles. Low GHG vehicles will be placed in locations where alternative fuel infrastructure is not available at the time procurement of vehicles. Hybrid electric vehicles will be placed in locations where the hybrid technology will be used most efficiently.

D. AFV Composition:

3. GSA notes the Treasury projection to greatly increase its AFV fleet by 2015

The Department's strategy is to place alternative fuel vehicles in locations where infrastructure is available. Bureaus are required to check locations of vehicle placement as part of their vehicle replacement process. The Department also requires that Bureau's request access to E-85 fuel at military installations from Defense Logistics Agency (DLA), if military installation have E-85 available in locations where commercial infrastructure is limited or not available. The Department also requires law enforcement vehicles to use alternative fuels in locations where infrastructure is available. The Department does not have fueling infrastructure.

E. AFV Infrastructure:

4. GSA recommends the use of DOE tools to increase utilization of alternative fuels

The Department has educated the Bureau's on DOE's Alternative Fuels and Advanced Vehicles Data Center (AFDC) and has made the Application provided by Wright Express available to all drivers for cell phones. The Department Fleet Manager reviews the Department's Fleet Sustainability Dashboard provided by DOE's Federal Energy Management Program (FEMP) to help Bureau Fleet Managers work on missed opportunities to use E-85.

F. Vehicle Sourcing/Cost:

5. Treasury will eliminate expensive commercially leased vehicles by 2015. GSA recommends that Treasury explore less costly sourcing for agency-owned vehicles.

The Department has an annual requirement for the Bureau's that purchase vehicles to submit a lease vs. purchase analysis, which is reviewed annually by the Assistant Secretary for Management. The Department has reviewed one of the Bureau's lease vs. purchase analysis in FY 2012 and will be entering into an agreement with GSA to consolidate those vehicles for FY 2013.

G. Fleet Data:

6. GSA recommends that Treasury provide a centralized management system.

The Department will be looking into reviewing a centralize information management system for FY 2013.

H. Shared Fleet-on-Demand Services:

7. GSA recommends that Treasury look for opportunities to use Shared Fleet-on-Demand Services.

The Department participates in GSA Short Term Rental Program (STR) annually and is currently evaluating the use of hourly rentals using once GSA has completed the process where the Department will be billed monthly on the GSA's bill against the Billed Office Address Code (BOAC).

XI. Conclusion

As the Department's mission continues to diversify vehicles will be required to assist them in their basic functions such as:

- Collecting taxes, duties, and monies paid to and due to the United States and paying all bills of the United States;
- Enforcing Federal finance and tax laws;

- Investigating and prosecuting tax evaders and assisting in the investigation of counterfeiters and forgers; and
- Contributing to national security by combating illicit financial networks and protecting the integrity of the U.S. and global financial system.

The Department will continue to review fleet requirements to ensure that the fleet is an optimal fleet size. Treasury is a leader in environmental management and has committed to an overall 33% reduction in reducing Scope 1 and 2 GHG emissions by 2020. Treasury has faced and will continue to face a number of challenges, including integrating social cost into the budgetary process.