

Fleet Asset Management System Implementation Report for 2010

Report to the Legislature and the Department of Finance
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State of California

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FLEET ASSET MANAGEMENT SYSTEM IMPLEMENTATION REPORT 2010 (SENATE BILL 78—2007)

Executive Summary

This final report discusses the continuing evolution of the Fleet Asset Management System (FAMS), the Department of General Services' (DGS) progress to date, and the ongoing work being conducted with State agencies (departments, boards, commissions, offices etc.) to assist them in uploading and verifying their fleet data into the FAMS.

Since the last implementation report in April 2009, all reporting agencies are now compliant with the requirement to report their fleets' data into the FAMS. However, improvement is still needed in the data submitted for the FAMS to accomplish its intended purpose—provide rapid and robust reporting about the State's fleet to improve the fleet's overall effectiveness and efficiency. The DGS continues to work with State agencies to correct data or add incomplete records, especially in the area of vehicle utilization. The DGS has been using the 15 percent vehicle reduction required by Governor Schwarzenegger's Executive Order (EO) S-14-09 as a tool to validate State agencies vehicle inventory data and ensure an accurate accounting of State fleet vehicles. The data generated for each agency's vehicle reduction plan was quickly and successfully generated from the FAMS.

As previously reported in 2009, when fully implemented, the FAMS will enable the DGS to efficiently and effectively record, access and manage critical information about California's statewide vehicle fleet. This data will be used to improve the State's analysis and reporting capabilities by providing consistent and reliable statewide fleet data with a higher level of data integrity. The DGS will be able to create both standard and customized reports to meet a variety of analysis and reporting mandates, as well as produce ad hoc reports for the Administration, the Legislature, the media, and the public within short timeframes. The use and analysis of this robust data will allow the State to improve the overall operating efficiencies of its fleet. Additionally, the new visibility about the State fleet will allow policy makers to minimize the fleet's impact on the environment and the State budget by "right-sizing" the fleet, removing higher-polluting vehicles from the fleet and replacing them with newer, more fuel efficient models, as well as actively managing vehicle miles traveled to reduce petroleum consumption.

Introduction

This is the second of two status reports required under Senate Bill 78, Chapter 172, Statutes of 2007 (The Budget Act of 2007), regarding the progress of the implementation of the FAMS. SB 78 provided the expenditure authority for the FAMS and instructed the DGS to provide the FAMS implementation progress reports to the Department of Finance and the appropriate fiscal committees of the Legislature on April 1, 2009 and April 1, 2010. Although Governor Schwarzenegger vetoed the language in SB 78 that codified the reporting requirement, the Governor did instruct the DGS Director to “comply with this legislative request for this report to the extent compliance can be achieved using existing resources and without impairing the DGS’ ability to perform its essential functions.” The DGS believes it is in the public’s best interest to provide this final status report on the implementation of the FAMS, and has prepared this final report for the Legislature’s consideration accordingly.

SB 78 requires status updates for the following areas:

- a) Progress on meeting statewide fleet utilization targets;
- b) Disposal of vehicles not meeting minimum utilization standards;
- c) Trend of statewide fleet size;
- d) Trend of statewide fleet average fuel efficiency;
- e) Timeframes associated with producing standard and ad hoc reports; and
- f) Savings and cost avoidances achieved to date and potential for additional savings and cost avoidances.

Implementation of the FAMS

The implementation phase of the FAMS to all State agencies began in July of 2008. During 2008, the DGS staff began using the system and worked with reporting agencies to provide training and assistance in uploading their vehicle and mobile equipment data into the FAMS. The DGS has completed all stages of the development and implementation phases of the FAMS project.

By the end of December 2009, all of the reporting agencies have uploaded their complete fleet inventories into the FAMS; however, the DGS is still in the process of validating the accuracy of these fleet inventories. The data quality of the FAMS solution has improved consistently during the implementation phase of the project, but much work remains by State agencies to clean up inaccurate or missing data. Once all agencies data has been validated, the degree of accuracy will be highly reliable. In the mean time, the DGS will continue a rigorous monitoring, validating, and correction process for fleet data being received.

During this validation of the fleet data being entered into the FAMS, the DGS has identified a number of new reporting agencies within the State’s Executive Branch. One hundred sixty-one (161) State entities (an increase from the 145 entities identified in the first status report) have now been identified. Of the 161 Executive Branch entities, 155 have reported to the DGS that they own and/or lease State vehicles. To further clarify, 15 of those agencies lease vehicles exclusively from the DGS, and, therefore, are not required to upload those vehicles into the FAMS because the DGS is already doing so. Ultimately, this leaves 140 reporting agencies that are listed as owning their own fleets or leasing vehicles commercially and are therefore required to upload and maintain their fleet data in the FAMS.

The increase in the number of agencies required to upload is mainly due to the addition of agencies that now own vehicles (maybe for the first time), due to the merging of agencies or the creation of new agencies.

The FAMS does not maintain or report information on vehicles owned or operated by the California Public Utilities Commission, the State Compensation Insurance Fund, the University of California, California Community Colleges, the Legislative Branch (including the Legislative Counsel Bureau), or the Judicial Branch because these entities do not fall under the direct executive authority of the Governor. The numbers for the Department of Food and Agriculture's fifty-two (52) District Agricultural Associations (DAAs) and the California State University's (CSU's) twenty-three (23) campuses, including the CSU Chancellor's Office, are rolled up as an agency total, rather than reported individually.

Status Update on the FAMS

As of December 2009, all 140 reporting agencies have uploaded their data into the FAMS (see the Appendix for a complete list of agencies). Now that all agencies have uploaded data into the FAMS, the DGS is in the process of verifying whether the data is complete and accurate. Of the 140 reporting agencies, the top nine agencies combined own or lease 83 percent of the 40,286 passenger vehicles in the State's fleet¹. These agencies are:

- 26% - California Department of Transportation (CalTrans)
 - 18% - Department of General Services (DGS)²
 - 12% - California Highway Patrol (CHP)
 - 7% - California Department of Corrections and Rehabilitation (CDCR)
 - 5% - California Department of Forestry and Fire Protection (CDF)
 - 4% - Department of Parks and Recreation (DPR)
 - 4% - California State University (CSU) System
 - 4% - Department of Fish and Game (DFG)
 - 3% - Department of Water Resources (DWR)
- 83%

The DGS is using the 15 percent vehicle reduction plans required by EO S-14-09 to validate each agencies vehicle inventory data and ensure an accurate accounting of State fleet vehicles. The following is a status update on the areas outlined in SB 78:

Progress on meeting statewide fleet utilization targets

The FAMS project is playing a vital role in centralizing the State's fleet data. The FAMS has made dramatic improvements in the collection and accuracy of the data about the State's fleet thus far. Many agencies began uploading data into the FAMS in July 2008, but it was not until late 2009 that all agencies had uploaded their complete fleet inventory data and 100 percent participation was achieved. Even with 100 percent participation from all State agencies, there were many data gaps to address by the DGS during 2009. Going forward, as more agencies continue to add utilization data and data gaps are narrowed, a more accurate utilization picture will emerge.

¹ SB 552 Report for 2008 – This report is still being validated and the statistics are subject to change.

² The DGS fleet is almost entirely leased out to other agencies on a long-term or short-term basis

In 2009, many vehicles were considered underutilized using the FAMS data simply due to a lack of data necessary to determine whether a vehicle reached the State's utilization standard. A vehicle can meet the State's utilization standard by either reaching a minimum mileage threshold (6,000 miles every six months) or through usage of at least 80 percent of the available workdays during a six-month period. A large portion of the State's fleet relies on this second method because many vehicles make frequent but very short trips, thereby not accumulating the required miles. Data on the days of use was not uploaded into the FAMS in the early months of 2009 and backfilling the data was not practical. The resulting data gap made vehicles appear to be underutilized in 2009 and 2008 even if they were not. The rate of underutilized vehicles reported from the FAMS in 2009 is 46 percent, which is an improvement over the 2008 rate of 50 percent. However, these rates are yet to be reliable until complete vehicle utilization data is received.

As the DGS continues the data validation process and requires State agencies to make necessary corrections, the FAMS data in 2010 is expected to reflect the actual utilization of the State's fleet. In addition, because the State is currently undergoing a 15 percent fleet reduction as part of the Governor's EO S-14-09, the State is "right-sizing" its vehicle fleet. This right sizing will have the affect of increasing the utilization of the remaining fleet vehicles. The FAMS is being used to track the fleet reduction and gather data on the elimination of excess or obsolete vehicles.

Disposal of vehicles not meeting minimum utilization standards

As explained in the discussion above, the number of underutilized vehicles is unreliable due to a lack of available vehicle utilization data. Currently the FAMS data identified 18,446 vehicles as being underutilized. As part of the EO S-14-09, the State will be disposing of more than 3,000 vehicles. This fleet reduction is expected to result in a vehicle utilization rate that increases for the remaining vehicles. The FAMS is being used to track the fleet reduction and gather data on the elimination of excess or obsolete vehicles.

Trend of statewide fleet size

As mentioned previously, due to the EO S-14-09, the State's fleet will be reduced by 15 percent by the end of the 2009/10 Fiscal Year. This reduction will lower the total cost of ownership. The FAMS is being used to track the fleet reduction and gather data on the elimination of excess or obsolete vehicles.

Trend of statewide fleet average fuel efficiency

Based on the information submitted by reporting agencies, the current miles per gallon (MPG) for Calendar Year 2009 for the statewide fleet is at 22.37 mpg. As explained above, the DGS is unable to determine an accurate measure for miles-per-gallon of the State fleet because reporting agencies are not submitting utilization data. Beginning in 2010, the DGS is working with reporting agencies to improve compliance.

Timeframes associated with producing standard and ad hoc reports. Savings and cost avoidances achieved to date and potential for additional savings and cost avoidances.

The FAMS is able to produce reports in a matter of minutes or days. As mentioned, the DGS is working with reporting agencies to fill the data gaps necessary for the FAMS to produce

valid and meaningful reports promptly. The FAMS project has improved the response time of requests for information. During 2008 and 2009, the DGS has received several Public Records Act requests. In all cases, the DGS was able to respond within 10 working days. In addition, the FAMS will allow the DGS to meet its State and Federal reporting requirements. However, due to incomplete data, the FAMS program staff must confirm with each reporting agency that the data is accurate prior to finalizing its reports, leading to delays in reporting.

At this time, there are other programming changes being made to the FAMS to continue to improve its capabilities as well as cost-savings to agencies. These changes include linking the FAMS to the State Vehicle Auction System (SVAS), which tracks the auction sales. This will allow the FAMS to update all vehicles disposed of at the auction instead of the agencies having to manually update this information in the FAMS. In addition, the FAMS is being modified to allow the entry and tracking of vehicle home storage permit information. Another upcoming programming change is to update the DGS vehicles that are leased on a long-term basis with the leasing agencies information. This would allow those agencies to view their DGS leased vehicles in the FAMS.

Project Risks and Mitigation Strategies

Because the FAMS electronic data warehouse is still new, there are risks. The FAMS is largely reliant on State agencies providing consistent and accurate data about their fleet and its utilization. This is proving to be a challenge for some State agencies.

The following is a sampling of the data that is missing in the FAMS:

- Only 28 percent of State agencies are reporting mileage. Seventy-two percent are not reporting monthly miles driven.
- Eighty-one percent of State agencies have reported monthly fuel usage but 19 percent have not.
- And, 2 percent of State agencies have no monthly fuel usage reported.

The DGS is mitigating these risks by:

- Providing (ongoing) FAMS training in person and through webinars;
- Improving communications with agencies by assigning dedicated DGS staff to provide one-on-one support;
- Providing agency-specific assistance to provide laser-focused attention at deficiencies;
- Developing better instructional materials for State agencies to assist them in preparing their data submissions;
- Disseminating information updates to ensure that all agencies continue to receive the same information about any changes or requirements; and,
- Requiring agencies to self-validate their data prior to submission into the FAMS.

In addition, the DGS has put new policies and procedures in place that will help guarantee that fleet data will be consistent statewide. In the past, the ability to capture certain types of data and ensure its accuracy was dependent upon the input policies and processes adopted by each agency, but the FAMS now provides State agencies with the same parameters and data definitions to track and enter their fleet data, thereby increasing data integrity and reliability.

Other mitigation strategies the DGS will employ to assist State agencies include using the DGS staff to conduct initial data verification and data entry to guarantee the data uploaded into the FAMS is accurate and complete by the end of 2010. The DGS also plans to garner support for the FAMS by engaging upper management within the reporting agencies through written updates notifying them about their agencies' status. The DGS also plans to post the FAMS updates and agency participation on its webpage.

One of the most significant challenges has been collecting accurate statistical data on bulk fuel. Most agencies manually track bulk fuel for the year, which has proven to be a very labor-intensive and incomplete method of managing bulk fuel usage. The DGS is working with State agencies to establish systems to allow for automated tracking of bulk fuel in the future. The DGS has the capability to integrate data from Voyager about the amounts and types of fuel used by each agency into the FAMS, and we are striving to have State agencies collect their bulk fuel data electronically using card reading systems that can utilize the State's existing Voyager card for tracking.

The DGS has learned that retail alternative fuel purchases using the Voyager card have limitations and inconsistencies due to the retail coding systems commercial fueling stations use. For example, Ethanol fuel (E-85) is often miscoded as something other than E85 and differently from one fueling station to another. All fleets throughout the nation, including the Federal General Services Administration (GSA) are experiencing the same difficulties in attempting to measure alternative fuel purchases. The DGS is working with representative of Voyager, GSA and others to make this problem known to the retail fueling and credit card industry in an attempt to find a solution.

State agencies face reporting challenges of their own, including the lack of sufficient support staff to track and monitor their vehicles and mobile equipment in order to enter this information into the FAMS. Other challenges State agencies face includes: tracking these assets manually, not tracking mileage, inconsistent information on fuel types or amounts of fuel consumed, and technical problems interfacing their electronic data with the FAMS.

Conclusion

The progress that the DGS has made in implementing the FAMS has been on target. As of the date of this report, all 140 of the reporting agencies have uploaded their vehicle assets and most are providing bulk fuel and Voyager fuel information. The DGS continues to review the data and is working with each State agency to validate data entries, correct inaccurate data, and fill in omitted information. The DGS will provide more in-depth trend analysis on fleet size and average fuel efficiency in future fleet reports as the database expands. In addition, the FAMS will provide up-to-date information that will enable the DGS to develop operating policies, purchasing recommendations, and utilization criteria for the fleet.

The DGS will use the FAMS data in the future to improve the ability of State fleet managers, and their agencies to make ongoing adjustments in how they manage their respective fleets. The FAMS will provide a positive feedback loop as agencies begin to use the reports generated by the data repository to address their fleet's contribution to meeting the public policy goals. The FAMS will also enhance the public trust via increased transparency of fleet asset information.

State agencies must be diligent in conducting data verifications and uploading data on a regular basis so the information and reports generated from the FAMS are accurate, meaningful, and timely for all interested stakeholders. Cooperation at the highest levels of State government is critical for the FAMS to succeed and for the successful management of the State's mobile fleet. The DGS has the staff and resources in place to continue to validate the accuracy of the data provided, and assist the reporting agencies with uploading monthly usage data. But, those reporting agencies must do their part for the FAMS to work as planned.

Full implementation and participation in the FAMS data warehouse will generate annual cost avoidance to the State by more effectively tracking vehicle assets, eliminating unneeded, high-polluting, and fuel inefficient vehicles from the State's fleet, redirecting vehicles to their highest and best use, denying unnecessary vehicle purchases, and reducing greenhouse gas emissions and petroleum use.

Interested parties may learn more about the FAMS and follow its status on a web page developed by the DGS/OFAM at: <http://www.ofa.dgs.ca.gov/FAMS/default.htm>.

Appendix: Listing of Reporting Agencies

1. African American Museum, California
2. Aging, Department of
3. Agricultural Labor Relations Board
4. Air Resources Board
5. Alcohol and Drug Programs, Department of
6. Alcoholic Beverage Control, Department of
7. Board of Equalization
8. Boating and Waterways, California Department of
9. California State University (CSU), Chancellor's Office
10. CSU, Bakersfield
11. CSU, Cal Poly Pomona
12. CSU, Cal Poly San Luis Obispo
13. CSU, Channel Islands
14. CSU, Chico
15. CSU, Dominguez Hills
16. CSU, East Bay
17. CSU, Fresno
18. CSU, Fullerton
19. CSU, Humboldt
20. CSU, Long Beach
21. CSU, Los Angeles
22. CSU, Maritime Academy
23. CSU, Monterey Bay
24. CSU, Northridge
25. CSU, Sacramento
26. CSU, San Bernardino
27. CSU, San Diego
28. CSU, San Francisco
29. CSU, San Jose
30. CSU, San Marcos
31. CSU, Sonoma
32. CSU, Stanislaus
33. Chief Information Officer, Office of
34. Child Support Services, Department of²
35. Coastal Commission, California
36. Conservation Corps, California
37. Consumer Affairs, Department of
38. Controller, California State
39. Corporations, Department of²
40. Corrections & Rehabilitation
41. DAA 01A Grand National - San Francisco
42. DAA 02 San Joaquin - Stockton

¹ Agency does not currently own or lease any State vehicles.

² Agency only leases vehicles from the DGS.

Appendix: Listing of Reporting Agencies (cont.)

43. DAA 03 Silver Dollar Fair - Chico
44. DAA 04 Sonoma-Marin - Petaluma
45. DAA 07 Monterey – Monterey
46. DAA 09 Redwood Acres - Eureka
47. DAA 10 Siskiyou Golden - Yreka
48. DAA 10A Tulelake-Butte Valley Fair - Tulelake
49. DAA 12 Redwood Empire - Ukiah
50. DAA 13 Yuba/Sutter - Yuba City
51. DAA 14 Santa Cruz - Watsonville
52. DAA 15 Kern – Bakersfield
53. DAA 16 California Mid-State - Paso Robles
54. DAA 17 Nevada - Grass Valley
55. DAA 18 Eastern Sierra Tri-County - Bishop
56. DAA 19 Santa Barbara - Santa Barbara
57. DAA 20 Gold Country Fair – Auburn
58. DAA 21 Big Fresno - Fresno
59. DAA 21-A Madera District - Madera
60. DAA 22 San Diego - Del Mar
61. DAA 23 Contra Costa - Antioch
62. DAA 24 Tulare - Tulare County
63. DAA 24A Kings – Hanford
64. DAA 25 Napa Town & Country - Napa
65. DAA 26 Amador - Plymouth
66. DAA 27 Shasta - Anderson
67. DAA 28 San Bernardino - Victorville
68. DAA 29 Mother Lode - Sonora
69. DAA 30 Tehama - Red Bluff
70. DAA 31 Ventura – Ventura
71. DAA 32 Orange - Costa Mesa
72. DAA 33 San Benito - Hollister
73. DAA 34 Modoc - Cedarville
74. DAA 35 Merced - Merced
75. DAA 35A Mariposa – Mariposa
76. DAA 36 Dixon - Dixon
77. DAA 37 Santa Barbara - Santa Maria
78. DAA 38 Stanislaus – Turlock
79. DAA 39 Calaveras - Angels Camp
80. DAA 40 Yolo County
81. DAA 41 Del Norte - Crescent City
82. DAA 42 Glenn – Orland
83. DAA 44 Colusa - Colusa
84. DAA 45 California Mid-Winter - Imperial

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Appendix: Listing of Reporting Agencies (cont.)

85. DAA 46 Southern California - Lake Perris
86. DAA 48 Schools Involvement Expo – Walnut
87. DAA 49 Lake - Lakeport
88. DAA 50 Antelope Valley - Lancaster¹
89. DAA 51 San Fernando Valley - Van Nuys
90. DAA 52 Sacramento - Sacramento¹
91. DAA 53 Desert Empire - Ridgecrest
92. DAA 54 Colorado River – Blythe
93. Developmental Services, Department of
94. Education, California Department of
95. Emergency Management Agency, California
96. Emergency Medical Services Authority, Governor's Office of
97. Employment Development Department
98. Energy Commission, California²
99. Environmental Health Hazard Assessment, Office of
100. Environmental Protection Agency, California²
101. Exposition and State Fair, California
102. Exposition Park
103. Fair Employment and Housing Commission¹
104. Fair Employment and Housing, Department of
105. Finance, Department of²
106. Fish and Game, Department of
107. Food and Agriculture, Department of
108. Forestry and Fire Protection, Department of
109. Franchise Tax Board
110. Gambling Control Commission, California
111. General Services, Department of
112. Health Care Services, Department of
113. Highway Patrol, California
114. Horse Racing Board, California²
115. Housing & Community Development²
116. Housing Finance Agency, California
117. Industrial Relations, Department of
118. Inspector General, Office of
119. Insurance, Department of
120. Justice, Department of
121. Labor and Workforce Development Agency²
122. Lands Commission, California State
123. Library, California State
124. Lieutenant Governor, Office of the¹
125. Lottery, California State
126. Managed Health Care, Department of²

¹ Agency does not currently own or lease any State vehicles.

² Agency only leases vehicles from the DGS.

Appendix: Listing of Reporting Agencies (cont.)

127. Mental Health, Department of
128. Military Department, State
129. Motor Vehicles, Department of
130. Natural Resources Agency, California ¹
131. Parks and Recreation, Department of
132. Peace Officer Standards and Training, Commission on ²
133. Personnel Administration, Department of¹
134. Personnel Board, State ¹
135. Pesticide Regulation, Department of
136. Planning and Research, Governor's Office of²
137. Prison Industry Authority
138. Public Employees' Retirement System, California
139. Public Health, Department of
140. Public Utilities Commission, California
141. Real Estate, Department of²
142. Rehabilitation, Department of
143. San Gabriel & Lower Los Angeles Rivers & Mountains Conservancy
144. Science Center, California
145. Secretary of Education
146. Secretary of State
147. Sierra Nevada Conservancy
148. Social Services, California Department of
149. State and Consumer Services Agency
150. Statewide Planning and Development, Office of
151. Systems Integration, Office of²
152. Tahoe Conservancy, California
153. Teachers' Retirement System, State
154. Toxic Substances Control Board
155. Traffic Safety, Office of²
156. Transportation, Department of
157. Treasurer, State
158. Veterans Affairs, Department of
159. Victim Compensation and Government Claims Board²
160. Water Resources Control Board
161. Water Resources, Department of

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² Agency only leases vehicles from the DGS.