



Policies that Slash Costs AND Transform Your Fleet: Fleet Policy Questions & Answers

Welcome! Our presentation begins at 2 p.m. EST



Welcome



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- 20+ years in fleet
- Experience with ~150 fleets across:
 - Government
 - Commercial
 - Education
 - Utility
 - Social Services
 - Other
- Computer Science / Technical Background

Policy Questions



Why do I need policies?



How can policies save me money?



How do I create policies?



How do I communicate the policies to our customers (users)?



How do I enforce our policies?

Why Do I Need Policies?

Why do I need policies?

True Story:

Problem

105 MPH recorded on fleet GPS



Solution

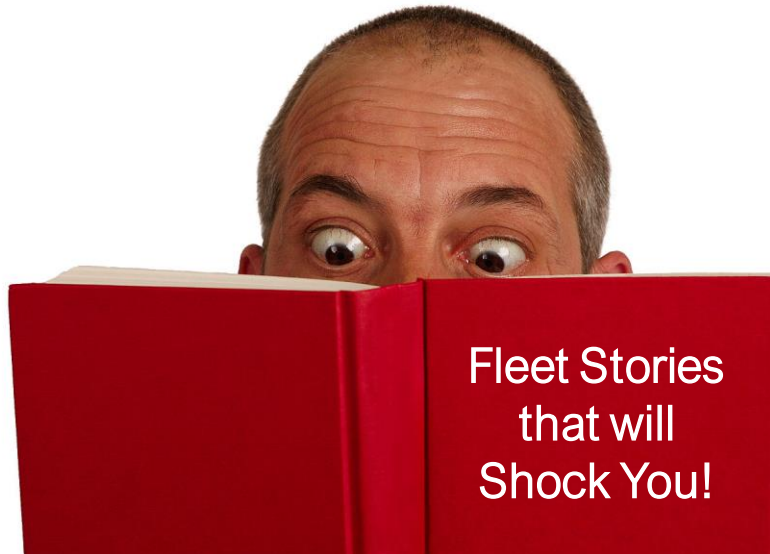
Remove GPS devices and send them back to the vendor



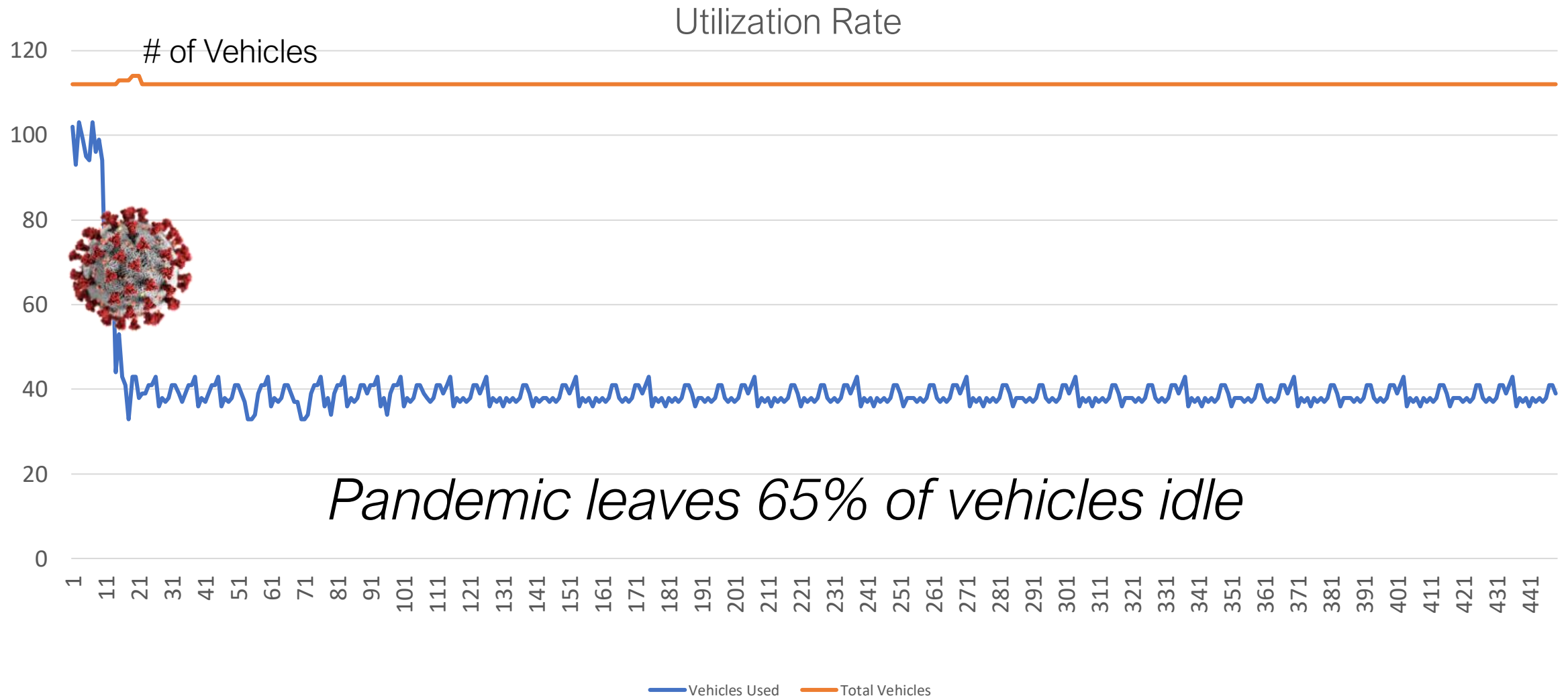
Why do I need policies?

True Stories:

- *Driver claims UFOs caused two separate accidents in fleet vehicles – still driving fleet vehicles*
- *5-gallon bucket of cow eyeballs spilled in fleet mini-van causing thousands in repair bills*
- *Driver racks up \$15,000 in reimbursements for using his personal vehicle for work*
- *Department head purchases vehicle in her own name using university funds to avoid assigned vehicle policies*



Why do I need policies?



Why do I need policies?

- ✓ Establish boundaries for acceptable behavior and guidelines for best practices with respect to using fleet vehicles
- ✓ Offer clear communication to your users as to how you expect them to act when using fleet vehicles
- ✓ Contribute to the overall culture of the fleet operation because they instill norms and create a level of uniformity
- ✓ Help to prevent different interpretations of proper conduct
- ✓ **TO SAVE MONEY!**

Why do I need policies?

Nearly every audit includes a focus on policy:

“Our analysis found that over 35% of transport vehicles and 25% of City trucks and equipment did not satisfy minimum utilization criteria.”

“Based on available information, the City’s annual cost for the underutilized transport vehicles is \$396,000; cost data was not available for the equipment.”

“The City’s Policies and Procedures should be revised to: identify cost-effective utilization criteria, establish a rigorous and routine process to justify utilization exemptions, clarify replacement criteria, and provide clearer policies for take-home vehicle use.”

“An audit of a state fleet’s gas purchases found that the state could save \$750,000 by simply communicating and enforcing fleet policy regarding the purchase of the lowest octane fuel available.”

Why do I need policies?

Nearly every audit includes a focus on policy:

Audit Finds Flaws in Anchorage's Take-Home Policy

August 1, 2018



INTERNAL AUDIT



Conclusions of Report

Our audit of the fleet policy resulted in the following conclusions related to our original objectives. Individual departments have varied processes for addressing requirements within the fleet policy. This inconsistency leads to non-compliance with various areas of the policy, including preventative maintenance, driver's license monitoring, training, take home vehicle monitoring, and safety.

Why do I need policies?

Common findings across nearly all fleet audits:

1. Have policy
2. Communicate policy
3. Enforce policy
4. Have, and use, a Fleet Management Information System (FMIS)

Why do I need policies?

You don't want your name here:



[Audit Prompts Ohio Sewer District to Reduce Fleet - Top News ...](#)

m.government-fleet.com/news/.../audit-prompts-ohio-sewer-district-to-reduce-fleet

Mar 1, 2017 - The utilization **policy** set by the city is 350 miles per month for passenger vehicles. Using this utilization **policy** of 4,200 miles annually, auditors found the city ... Responds to **Fleet Audit** Claiming Waste - Audit Analyzes Wash.

[Illinois Fleet Audit Finds State Vehicles Are Underutilized - News ...](#)

www.government-fleet.com/.../illinois-fleet-audit-finds-state-vehicles-underutilized.as...

Nov 4, 2011 - Not all State agencies were following CMS' **policies**. The audit recommended that agencies using CMS vehicles should follow the program's ...

[U.S. mismanaged \\$1 billion armored vehicle fleet, audit says – The ...](#)

www.denverpost.com/2017/02/15/armored-vehicle-fleet-audit/

Feb 15, 2017 - U.S. mismanaged \$1 billion armored vehicle **fleet**, **audit** says ...

[Vehicle-fleet audit urged - Los Angeles Daily News](#)

www.dailynews.com/general-news/20070628/vehicle-fleet-audit-urged

"It's high time that we gained a thorough understanding of the city's vehicle **policy** and use it to ensure that all city-owned vehicles are used ...

How can policies save money?

How do policies save money?

1. By limiting use of personal vehicles
2. Using the lowest cost vehicle for the job, e.g., sharing
3. Establishing that an assigned vehicle must be used a minimum # of miles or time per month, or it will be reassigned
4. Operating vehicles only up to their optimum economic life
5. Using vehicles only for business purposes
6. Reducing unnecessary idling, speeding, hard braking, and other fuel-consuming or costly behaviors

How do policies save money?

Scott County, Minnesota (use of personal vehicle):

Officials and employees shall always use a County motor pool vehicle and/or ride sharing – when available and determined to be most cost effective - in the performance of their assigned duties. If a motor pool vehicle is not available, officials and employees can use their private vehicles in the performance of their assigned duties and be compensated for such use by reimbursement at the published, federally accepted maximum rate for mileage. The standard rate shall apply to each mile driven.



How do policies save money?

Scott County, Minnesota (use of personal vehicle):

- ✓ Identified that county vehicles were 30% lower cost than personal mileage reimbursement
- ✓ Reduced personal vehicle use by 65% by requiring proof that no motor pool cars were available before using a personal vehicle
- ✓ Saves nearly \$230,000 in mileage reimbursement
- ✓ Streamlined fleet processes, such as online vehicle reservations, key management



How do policies save money?

Iowa State University:

- ✓ Offered lower-cost motor pool sharing solution (35%)
- ✓ Saved \$100,000 in mileage reimbursement
- ✓ Logs 500,000 miles on shared fleet vs POVs

IOWA STATE UNIVERSITY

How do policies save money?

City of Stamford, CT:

- ✓ Created a motor pool and implemented automated motor pool system
- ✓ Enforced policies regarding assigned vehicle use
- ✓ Reduced the fleet by from 80+ to ~19 vehicles
- ✓ \$300,000 saved per year



How do policies save money?

Washington Metro Area Transit Authority (WMATA)

- ✓ Implemented GPS tracking on over 1,000 vehicles
- ✓ Communicated and enforced a policy regarding idling
- ✓ Realized a 66% reduction in idling



Creating Policies

Creating policies

1. Solicit the advice of other fleet managers in a similar organization such as yours
2. Solicit the participation of all affected areas of your organization
 - a. Drivers, technicians, managers, union officials
 - b. Involving them in the decision-making process will increase the likelihood of their buy-in and support
3. Use clear, concise language with minimal industry jargon
4. Include all information drivers need to properly operate their fleet vehicles
5. Clearly state ramifications for non-compliance with the policy

Creating policies

6. Create only relevant and necessary policies. A lengthy policy manual never gets read.
7. Be prepared for exceptions (you won't be able to cover every contingency anyway)
8. Don't go overboard with policies if they infringe on employee rights and contribute to low morale
9. Arrange a legal review
10. Your fleet policy should be a living document that is updated annually

<https://das.iowa.gov/sites/default/files/fleet/pdf/DASFleetPNPmanual.pdf>

<https://your.yale.edu/policies-procedures/policies/1705-university-fleet-policy>

Creating policies

Components (not an exhaustive list)

- Organizational roles
- Driver eligibility
- Vehicle ordering
- Personal use
- Use of personal vehicles
- Maintenance – what maintenance services and when? Who's responsible?
- Types of fuel
- Extras – are car washes allowed? Can I use the fuel card to purchase food?
- Registration
- Violations – speeding
- Behavior - idling, braking, starts, location
- Accidents
- Vehicle replacement
- Use of electronics
- Driver reporting
- Consequences of non-compliance
- Use of GPS / telematics

Communicating Policies

Communicating policies

1. Make fleet policy easily accessible by drivers and managers by posting it on the company intranet and your FMIS
2. Set aside time at company meetings to make fleet policy presentations to the drivers and managers.
3. Send periodic e-mails to drivers on specific fleet policy reminders, particularly the issues that have higher-than-normal incidents. Copy managers.

Communicating policies

4. Create a newsletter that is mailed or e-mailed to company drivers to promote awareness of fleet policies by providing helpful suggestions on driver safety, vehicle care, and other topics
5. It is especially important to communicate motor pool policies because these are people that may not drive a vehicle on a consistent basis
6. Have users sign and date an acknowledgement form to prove they received them

Communicating policies

FLEETCOMMANDER

Monroe | Fleet and Transportation

VEHICLE USE

- MAKE RESERVATION
- MY SCHEDULE
- CAR POOL
- MY PROFILE
- MY VEHICLES
- MY REPORTS
- ACCIDENTS/INCIDENTS
- TECH DASHBOARD

INFORMATION

- INSTRUCTIONS
- POLICIES
- VEHICLES AND RATES
- LOCATIONS
- CONTACT US
- FAQS
- TERMS OF USE
- PRIVACY STATEMENT

Please Login


Username:

Password:

[Forgot password?](#)

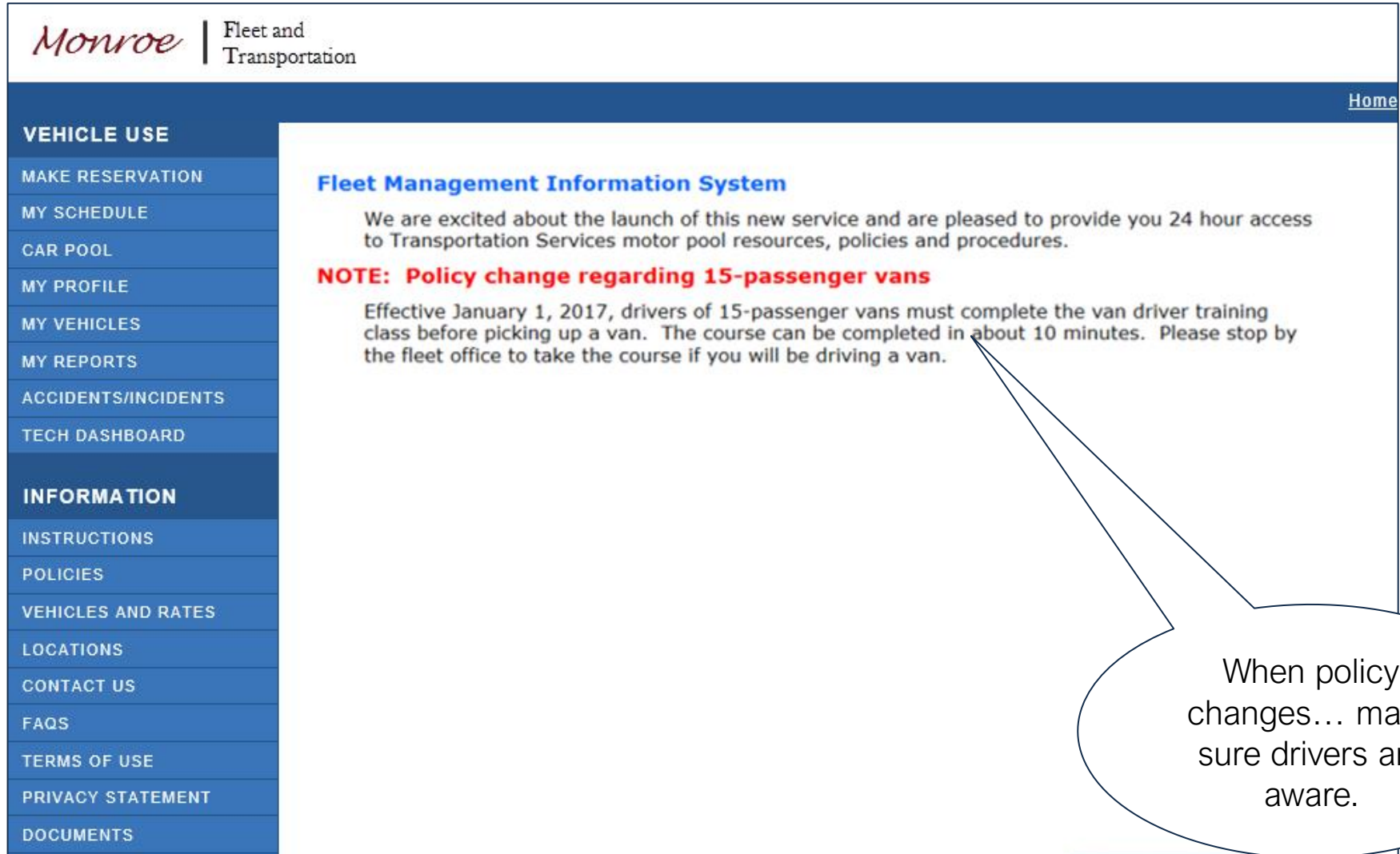
Notice: All logins (and attempts to login) are logged for security reasons.

Message from webpage

 Please read our Policies and confirm you agree to the terms by clicking the button at the bottom of page.

Require that drivers acknowledge new or changed fleet policies

Communicating policies



Monroe | Fleet and Transportation [Home](#)

VEHICLE USE

- MAKE RESERVATION
- MY SCHEDULE
- CAR POOL
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INFORMATION

- INSTRUCTIONS
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- LOCATIONS
- CONTACT US
- FAQS
- TERMS OF USE
- PRIVACY STATEMENT
- DOCUMENTS

Fleet Management Information System

We are excited about the launch of this new service and are pleased to provide you 24 hour access to Transportation Services motor pool resources, policies and procedures.

NOTE: Policy change regarding 15-passenger vans

Effective January 1, 2017, drivers of 15-passenger vans must complete the van driver training class before picking up a van. The course can be completed in about 10 minutes. Please stop by the fleet office to take the course if you will be driving a van.

When policy changes... make sure drivers are aware.

Communicating policies

The screenshot shows the Fleet Commander web application interface. At the top, the logo for 'AF FLEETCOMMANDER' is visible, followed by the text 'Monroe | Fleet and Transportation'. A navigation bar on the right contains a 'Home' link. On the left, a vertical menu lists various options: 'VEHICLE USE' (MAKE RESERVATION, MY SCHEDULE, CAR POOL, MY PROFILE, MY VEHICLES, MY REPORTS, ACCIDENTS/INCIDENTS, TECH DASHBOARD), 'INFORMATION' (INSTRUCTIONS, **POLICIES**, VEHICLES AND RATES, LOCATIONS, CONTACT US, FAQs, TERMS OF USE, PRIVACY STATEMENT, DOCUMENTS), and 'ACCOUNTS'. The 'POLICIES' menu item is highlighted with a red box. A callout bubble points from this box to the 'Motor Pool Policies' page content. The page title is 'Motor Pool Policies'. A red warning message reads: 'No more cell phone use inside company vehicles!'. Below this, a paragraph states: 'The following information (last updated on January 16, 2017) can be found in the glove compartment of every motor pool vehicle is responsible for understanding and adhering to ALL policies. Use of motor pool vehicles is a privilege that can be'. A table lists the following policies: Use Authorization, Requirements of Operator, Responsibilities of Operator, Cancellations, Picking Up Vehicles, Returning Vehicles, Road Repairs, Incident Reporting, and Insurance. Below the table, the 'Use Authorization' section begins with the text: 'Only authorized State University faculty, staff, and students may operate a motor pool vehicle. The vehicle may be used on one, other than faculty, staff, and students on business or course work, may ride in State University vehicles unless special Domestic and non-domestic animals are NOT allowed in the vehicles with the exception of seeing-eye, hearing-ear, and service vehicle requirement when making the reservation, of the need to transport one of these dogs.) Caged research animals may Vehicles are not to be used for towing. No objects are to be placed, mounted, or tied to the outside of any motor pool vehicle these conditions will be the responsibility of the requestor's department (or organization).'

Make it easy for drivers to find your fleet policy

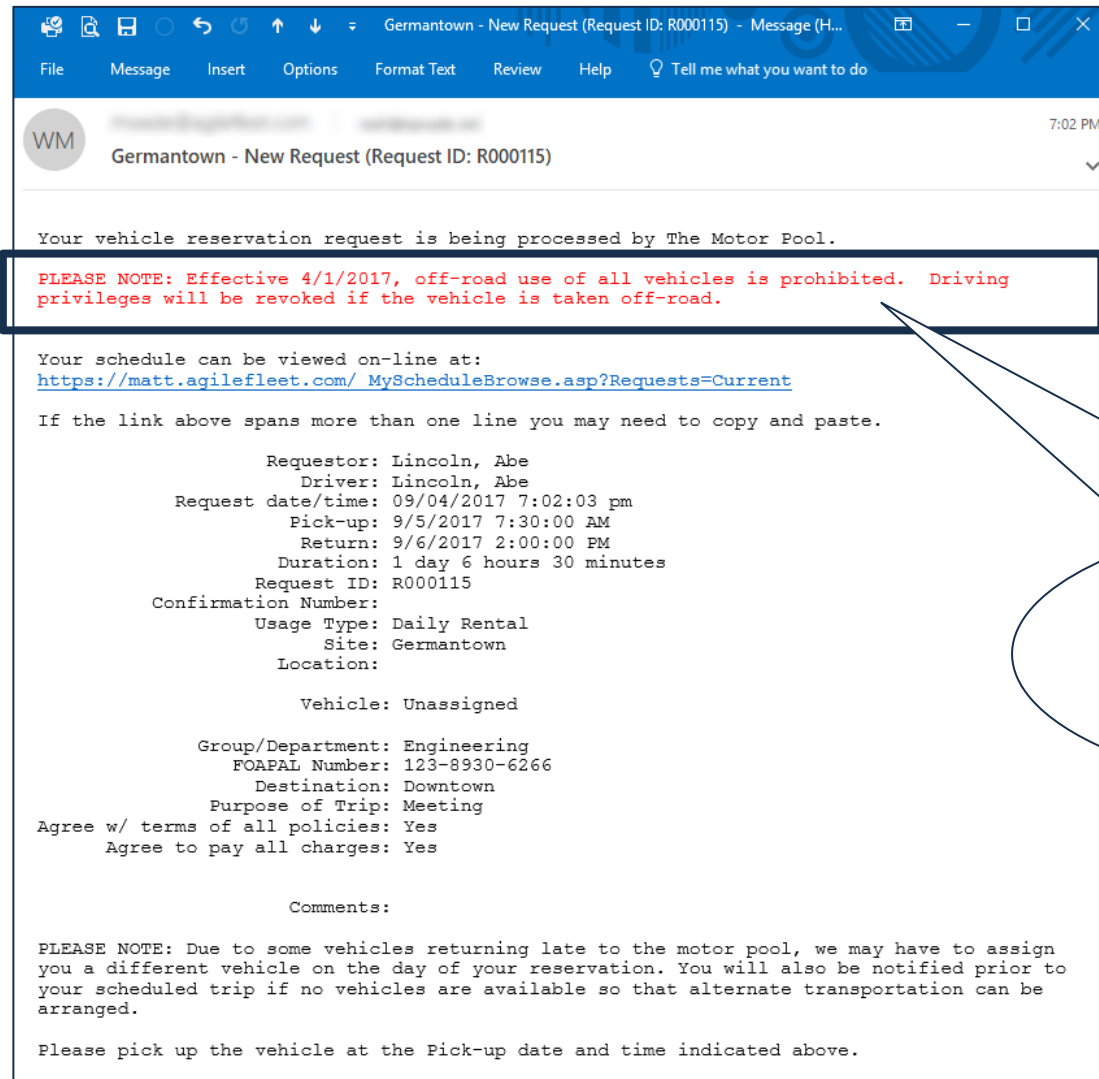
Communicating policies

The screenshot shows the Fleet Commander web application interface. At the top, the logo for 'FLEETCOMMANDER' is visible, followed by the 'Monroe' logo and the text 'Fleet and Transportation'. A navigation menu on the left includes options like 'VEHICLE USE', 'MAKE RESERVATION', 'MY SCHEDULE', 'CAR POOL', 'MY PROFILE', 'MY VEHICLES', 'MY REPORTS', 'ACCIDENTS/INCIDENTS', 'TECH DASHBOARD', 'INFORMATION', 'INSTRUCTIONS', 'POLICIES', 'VEHICLES AND RATES', 'LOCATIONS', and 'CONTACT US'. The main content area is titled 'Vehicle Reservation' and contains a 'Request Information' section. A red notice states: 'Cancellation Policy: Same day cancellation will result in a \$50.00 fee.' Below this, there are radio buttons for 'Who is this request for?': 'This request is for me' (selected) and 'This request is for' followed by a search input field and a 'Search' button. At the bottom of the section are 'Cancel Request' and 'Next' buttons. A callout bubble points to the red notice with the text 'Keep your policy front-and-center'.

Communicating policies

The screenshot displays the Fleet Commander web interface. The top navigation bar includes the logo, the name 'Monroe | Fleet and Transportation', and the user name 'Mr. Ed'. A left sidebar contains a menu with categories like 'VEHICLE USE' and 'INFORMATION'. The main content area is titled 'Vehicle Reservation - Finish Request' and contains a 'Confirm Request' section with fields for 'Requestor Information', 'Schedule Information', and 'Selection Information'. A modal dialog box titled 'Message from webpage' is overlaid on the page, displaying a warning icon and the message: 'The license of the driver has not been validated. The driver will need to show the fleet staff a valid license when the vehicle is picked up.' Below the dialog box are buttons for 'Previous (Change Request)', 'Cancel Request', 'Submit Request', and 'Submit and Make Similar Request'. A callout bubble points to the dialog box with the text: 'Your FMIS should be monitoring fleet policies automatically'.

Communicating policies



Policy statements in confirmation emails

Enforcing Policies

Enforcing policies

- Enforce policies every time to avoid condoning a user's actions
- Let your FMIS enforce and communicate – it becomes an objective process, not subjective
- Be consistent
- Do not wait too long
- Do not apply your policies retroactively
- Avoid giving "blanket warnings" to all your users
- Keep adequate records of policy enforcement

Enforcing policies

Profile | Permissions | Usage | **HR** | Dependents | Time

[Back to Manage Users](#) [Back to Browse HR](#)

User Information
Name (last, first middle): Smith, Edwin (blank)
Salutation: Mr.
Username: esmith

[Add New HR Item >>>](#)

Filters

Creation Date Between:
Last Modified Date Between:
Suspension Date Between:

Dependent Relationship:
Status:
Category Type:
Action Type:

HR Item ID:
Short Description:

[CLEAR](#) [FILTER](#)

	HR Item ID	Category	Action	Relationship	Short Description	Date Created	Last Modified	Status	Img
	1	Policy Violation	Suspension		Gave keys to unauthorized driver	6/2/2017 5:38:03 PM	6/2/2017 5:38:03 PM	OPEN	N

Summary

Summary

- If a focus on policy is new to you... start small
- If you already have comprehensive policy, keep it updated:
 - Consider updating one piece of your policy per month
 - Involve you fleet stakeholders
- Leverage others' successes

<https://das.iowa.gov/sites/default/files/fleet/pdf/DASFleetPNPmanual.pdf>

<https://your.yale.edu/policies-procedures/policies/1705-university-fleet-policy>

Questions

Questions/answers

How might policies change during or after a pandemic?

- Make waiver of requirements official...not informal
- Establish a time frame for revisiting the policy
- Take advantage of the policy to lower costs!

Should we allow drivers to take a vehicle to lunch or to run a personal errand? Some of our employees take public transportation to work and do not have a way to get around during the day.

Questions/answers

What are the best ways to minimize operational costs in fleet?

- Share!

Are there any new policies in fleet management that fleet managers must consider based on technology advances?

- GPS:
 - Make drivers aware of devices in vehicles
 - Define actions to be taken if infractions are identified
 - Define whose role it is to monitor data (Negligent Entrustment)

Questions/answers

Are any new policies required for electric vehicles (EV)?

Yes:

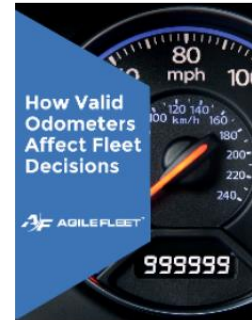
- Procurement (e.g., % that must be EVs)
- % of miles traveled must be EV
- Take home of Evs
- Reimbursement for charging at home
- Reimbursement for in-home chargers
- Maintenance policies (e.g., training for techs or designated processes for getting serviced)
- Rules for fixing a flat??? – could be disastrous

Thanks for joining us



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Agile Fleet offers free resources on important fleet topics. Download today at:

www.agilefleet.com/resources