Increased Attention to Vehicle Fleets Could Result in Savings

Because of a lack of attention to key vehicle fleet management practices, the agencies GAO reviewed cannot ensure their fleets are the right size or composition to meet their missions. Industry practices for cost-efficient fleets include the development of utilization criteria related to the mission of a vehicle and periodic fleet assessments using these criteria to determine the appropriate fleet size and composition. If unneeded vehicles are identified, they are disposed of. However, the agencies GAO reviewed have not established policies that contain clearly defined utilization criteria that would allow them to determine the number and type of vehicles they need. Further, agencies are not routinely conducting periodic fleet assessments. Two agencies, the Navy and the Forest Service within the Department of Agriculture, conduct assessments; however, these assessments are either inconsistently applied or the results are not enforced. Some agencies have begun to recognize the need to revise their guidelines to provide better criteria for determining their vehicle needs.

GAO's work and reviews by inspectors general identified numerous instances where agencies were retaining vehicles they did not need, with potential savings ranging from thousands to millions of dollars if these vehicles were eliminated. For example, the Department of the Interior's Inspector General reported that a significant portion of the department's 36,000 vehicles were underutilized and estimated savings of $34 million annually if these vehicles were disposed of.

GSA's Office of Governmentwide Policy and the Office of Management and Budget have recently taken a number of actions to require agencies to better manage and improve the cost-efficiency of their fleets. The Office of Governmentwide Policy is currently revising the Federal Management Regulation to require agencies to (1) appoint a central fleet manager with control over all aspects of fleet management, including fleet budgets, which are now generally controlled at the local level; (2) establish utilization criteria and periodically review fleet size; and (3) fund a fleet management information system. The Office of Governmentwide Policy plans to work in a cooperative effort with agencies to implement the revised regulation. However, based on discussions with officials from the agencies GAO reviewed, GAO anticipates that GSA will face opposition to its requirement for centralized budget control over the fleets. In 2002, the Office of Management and Budget began requiring agencies to report, as part of their budget submissions, the size, composition, and cost of their fleets for the current year and to project costs for the next 3 fiscal years.