

Report on Department Fleet/Mileage

Department: Military

Secretary: MG Penn

The purpose of this report is to prompt an analysis of fleet management and mileage reimbursement within each Department and assist in the formulation of a report to the Governor on how to achieve greater efficiency and cost savings in this area. **The report template includes sections for three projects for your convenience. This number is not a goal or target. You may add or delete boxes for as many projects as you submit.**

ACTION PLAN FOR PROJECT 1:

1. Project Title **Maximize Federal Vehicles**

1.1. Brief description of project, goal, and action plan.

The Department of the Military has used vehicles that were US ARMY owned or leased to support their mission, but due to budget cuts and other factors the ARMY is turning in most of their commercial vehicles. The Army funding agreement with the National Guard allows the Department to replace these with State owned but federally purchased and supported vehicles. These vehicles are a great benefit to the state as there is no cost to support them but the State receives the money from sale of each vehicle. There are 98 ARMY owned/leased vehicles that are still used by the Department of the Military to support our mission across the state (100% federal vehicles operated by State employees). As these vehicles are turned in by the ARMY some will be replaced with state vehicles purchased through the supporting 100% federal accounts. The department has a total of 65 State vehicles of which only 17 are 100% state funded.

1.2. Identify any additional resources required for the implementation and success of this plan. None

1.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs? Federal budget is sufficient. No cost to the State

1.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.

We have a set number of vehicles based on the federal budget. We life cycle them based on federal guidelines and mission requirements. We forecast life cycle changes throughout the year. We track these life cycles and they are measured by increased life spans, increased mileage usage, and decreased maintenance cost. Success is measured the vehicles usability in its projected life span and lower maintenance down time. The Departments goal is to maximize the usage of federal supported vehicles to reduce the number of state supported vehicles.

1.5. What is the implementation timeline and key action steps for this plan? How will you track progress? The timeline is a rolling 12 month time line based on the federal fiscal budget year. Vehicles are life cycled throughout the year depending on the month they were purchased or issued to the National Guard. The budget that supports this time line is from 1 OCT to 30 SEP except for the 10 vehicles that have a 25% state match. That budget cycle is based on the State fiscal year. We have a data base that tracks

mileage, life span measured in time, and mission usage in hours. These data points combined with the budget is how we track progress that the department is on the right glide path to vehicle life cycles and budget requirements to support the fleet.

1.6. Identify any obstacles to the implementation and success of this plan.

None currently. If there was a cut in federal funding, which has not happened to the fleet account before, the department would adjust missions to meet the shortages.

1.7. How could Department of Transformation and Shared Services provide support to the Department?

There are no requirements at this time.

ACTION PLAN FOR PROJECT 2:

2. Project Title **Repurposing of ASP vehicles.**

2.1. Brief description of project, goal, and action plan.

The Department currently has 9 police vehicles that are divided between Camp Robinson and FT. Chaffee. Of these vehicles 5 of them are repurposed Arkansas State Police vehicles. These are high mileage vehicles purchased at a very low cost from the ASP and re-used by the Department. Since our police department is used on only our facilities we can use high mileage repurposed for the mission at a huge savings.

2.2. Identify any additional resources required for the implementation and success of this plan.

The continuation of the DPS and the ASP to sell us used cars when the ASP can no longer use them.

2.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs? Our current budget is sufficient.

2.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.

New police cars cost approximately \$50,000. We buy the Departments police cars from the ASP for \$100 do on average \$1000 of maintenance and they are mission ready. The mileage upon receiving them averages 160,000 miles and we get another 40,000 miles on average before they have to be life cycled out. The savings is large for only \$1100 for a usable car. We can use these cars for 2 years and then cycle them out at a cost of \$1100 compared to a new car at \$50,000 for a life cycle average of 5-6 years. Our measure of success is when we can life cycle out our entire fleet and only use repurposed vehicles in the next 2 years.

2.5. What is the implementation timeline and key action steps for this plan? How will you track progress?

The time line is to be a totally repurposed fleet in 2 years. We will track progress based on current life cycle of the remaining 5 police cars that were purchased new in the past. Once those have reached their life cycle we will purchase ASP cars and repurpose them.

2.6. Identify any obstacles to the implementation and success of this plan.

The predictable life cycle of ASP vehicles as our supply stream. If that is disrupted it will slow down our life cycling and cause an increase in maintenance cost.

- 2.7. How could Department of Transformation and Shared Services provide support to the Department?
The continued cross coordination with other agencies that life cycle vehicles. These vehicles may not meet the need for the losing Department but might for another Department at a much lower cost.

ACTION PLAN FOR PROJECT 3:

3. Project Title

- 3.1. Brief description of project, goal, and action plan.
- 3.2. Identify any additional resources required for the implementation and success of this plan.
- 3.3. Are there any anticipated costs associated with the plan? Does your current budget have sufficient funds to cover all anticipated costs?
- 3.4. How will you measure the success and results of your plan? Include forecasts of cost savings, efficiencies achieved, etc.
- 3.5. What is the implementation timeline and key action steps for this plan? How will you track progress?
- 3.6. Identify any obstacles to the implementation and success of this plan.
- 3.7. How could Department of Transformation and Shared Services provide support to the Department?

Additional thoughts/comments:

None