

MANAGEMENT MEMO

NUMBER:

MM 13-01

SUBJECT:

STATE FLEET ASSET OVERSIGHT

DATE ISSUED:

JANUARY 9, 2013

EXPIRES:

UNTIL RESCINDED

REFERENCES:

Public Contracts Code §10295.2; Government Code §11000; §13332.09;
Public Resources Code §25722.5 et seq.; Executive Order B-2-11

ISSUING AGENCY:

DEPARTMENT OF
GENERAL SERVICESSupersedes Management Memo 05-08 and amends §3620 of the State
Administrative Manual and the State Fleet Handbook**Purpose**

This Management Memo sets fleet acquisition policy, defines a state fleet asset; explains the Department of General Services (DGS) Office of Fleet and Asset Management (OFAM) oversight, and advises state agencies of their responsibilities.

Policy

State agencies are required to seek OFAM approval prior to acquiring a fleet asset.¹ This policy extends to any fleet asset being rented or leased over 30 consecutive calendar days or more than four (4) consecutive work weeks (excluding weekends and holidays). Continually re-renting fleet assets week to week or with a short break after 30 days without seeking OFAM approval is prohibited.

Background

Pursuant to Government Code §13332.09, the DGS is required to investigate and establish the necessity of a fleet asset before a state agency makes an acquisition. Pursuant to Public Resources Code §25722.5 et seq, DGS is also required to collect and report vital information about the state fleet.

Pursuant to [Executive Order B-2-11](#), state agencies are required to update their fleet asset information into OFAM's Fleet Asset Management System (FAMS) on a monthly basis, including fuel and utilization data. This policy applies to all fleet assets (owned or rented) that are in the agency's control for more than 30 consecutive calendar days or more than four (4) consecutive work weeks (excluding weekends and holidays).

State motor vehicles and general use mobile equipment (fleet assets) are acquired through the following means: direct purchase; leased or rented from OFAM; leased or rented through a commercial vendor; and occasionally, received on loan, or as a gift or donation. Renting is synonymous with leasing for the purpose of this policy.

Who is affected

All state agencies under the definition of Government Code §11000: (a) As used in this title, "state agency" includes every state office, officer, department, division, bureau, board, and commission. This policy does not apply to the California State University; however, participation is requested and encouraged.

¹ [See Management Memo 13-02 \(State Fleet Annual Acquisition Plan\)](#)

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Who should review

Executive officers, administrative deputies and chiefs, fleet coordinators, managers, supervisors, business services officers, and department auditors.

Fleet assets overseen by DGS

OFAM defines a fleet asset as: mobile equipment that is self-propelled and/or registered by the Department of Motor Vehicles with certain exceptions (see chart below).

Inclusions & Exclusions

Asset Type	Acquisition Requires OFAM Approval ²	Reporting FAMS Data Required ³	OFAM Inspection Services Required ⁴
Aircraft	Yes	Yes	No
Motorized Boats/Watercraft ⁵	Yes	Yes	Yes
Non-motorized Boats/Watercraft	No	No	No
Farm and Construction Equipment	Yes	Yes	Yes
Heavy-duty Vehicles (14,000 GVWR or more)	Yes	Yes	Yes
Medium-duty Vehicles (8,501-13,999 GVWR)	Yes	Yes	Yes
Light-duty Vehicles (8,500 or less GVWR)	Yes	Yes	Yes
Light-duty off road equipment ⁶	Yes	Yes	Yes
Mobile Carts (manufacturer rated below 35 mph)	Delegated	Yes	No
Trailers (2,999 lbs GVWR or less) ⁷	Delegated	Yes	No
Trailers (3,000 lbs GVWR or above) ⁸	Yes	Yes	Yes

Continued

² Authority to acquire those asset types identified as “delegated” without OFAM oversight/approval is provisional.

³ [See Attachment 1 for required fields for Limited FAMS reporting.](#)

⁴ Excludes departments with OFAM approval to conduct self inspections.

⁵ Outboard boat motors are not their own fleet asset, and their purchase or replacement is treated as a repair or modification to a motorized boat.

⁶ Including but not limited to: motorcycles, ATVs, quadrunners, snowmobiles, etc.

⁷ Pertains to the small trailers only, and not the equipment mounted on trailers, e.g.: generators, welders, signs, message boards, kettle pots, outhouses, etc. Assets carried on trailers such as: motorcycles, snowmobiles, ATVs, etc., are considered fleet assets and are referenced separately.

⁸ The California Vehicle Code §26302, requires trailers having a gross weight of 3,000 lbs or more be equipped with brakes. A mobile home or mobile office that is not permanently parked is considered a trailer.

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Inclusions & Exclusions (Cont.)

Asset Type	Acquisition Requires OFAM Approval	Reporting FAMS Data Required	OFAM Inspection Services Required
Mobile Home or Office (only if permanently parked. If moved, use trailer footnote)	No	No	No
Indoor Fork Lift	Delegated	Limited (Attachment 1)	No
Outdoor Fork Lift	Yes	Yes	Yes
Electric Pallet Jack	No	No	No
Floor Scrubber	Delegated	Limited (Attachment 1)	No
Self-Propelled Lawn Mower (25 hp or more)	Yes	Limited (Attachment 1)	Yes
Self-Propelled Lawn Mower (24 hp or less)	No	No	No
Personnel Lift	Delegated	Limited (Attachment 1)	No

Additional resources

1. [Executive Order B-2-11](#)
2. [Management Memo 13-02 \(State Fleet Annual Acquisition Plan\)](#)
3. [Required fields for Limited FAMS reporting](#)

DGS contact

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Original Management Memo signed by Fred Klass, Director, DGS

Signature

 Fred Klass, Director
 Department of General Services

Attachment 1: Required FAMS Fields

REQUIRED FAMS FIELDS
For Assets with Limited Reporting Requirements
 [Indoor Fork Lifts, Personnel Lifts and
 Self-Propelled Lawn Mowers (25HP or more)]

REQUIRED FIELDS	REASON REQUIRED
Equipment Number	Asset Identification
Vehicle Category	Required for Mobile Equipment Report
Model Year	Asset Identification
VIN (enter serial number here)	Asset Identification
Make	Asset Identification
Model	Asset Identification
Vehicle Location Zip Code	Asset Identification
Agency Billing Code	Required for Mobile Equipment Report
Vehicle Type	Required for Mobile Equipment Report
GVWR Range	Informational Item
Fuel Type	Informational Item
Engine Configuration	Informational Item
Confidential Asset	FAMS Required
Primary Application	Required to track asset use type
Acquisition Delivery Date	Required to track asset activity
Acquisition Method	Required to differentiate a purchase from a lease
Acquisition Reason	Required to differentiate an additional asset from a replacement asset
Purchase Price	Informational Item
Disposition Date <i>(date vehicle leaves the facility)</i>	Required to track asset activity
Disposition Method	Required to obtain method of disposition
Disposition Sold Amount	Informational Item